

INTERNATIONAL NEWS DIGEST

Swiss attack on Jewish fund

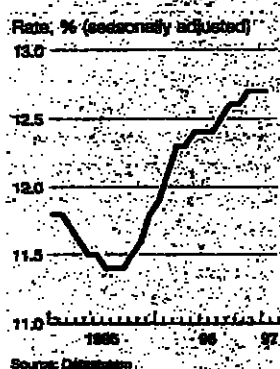
The first signs of serious political opposition to the Swiss government's plan for a humanitarian fund for victims of the Holocaust surfaced yesterday. Mr Christoph Blocher, a leading Swiss industrialist and populist politician, said his specialty chemical company, EMS-Chemie, would not contribute to the fund which has been started with a \$500m (\$68m) contribution from the big three Swiss banks. The government and the central bank have not yet decided whether to contribute.

Mr Blocher's intervention suggests the government faces tough opposition in its aim of winning broad popular support for the fund, which it regards as a humanitarian gesture. The industrialist, who is due to give a speech today on Switzerland in the war, does not believe taxpayers' money should be paid into the fund because it would be an admission of guilt. Switzerland had no reason to apologise for doing business with Germany in order to survive as a neutral country, he said.

William Hall, Zurich

Fewer young French jobless

French unemployment



continued to forecast that the headline rate would rise to 13 per cent over coming months, as the effects of France's end-of-year economic slowdown worked their way through, before falling slightly.

Mr Jacques Barrot, labour minister, yesterday appeared to prepare the ground for a possible further deterioration by predicting "peaks and troughs" in unemployment in the next few months.

David Owen, Paris

Turkey averts EU sanctions

Turkey has established a competition board after a two-year delay, lifting the threat of European Union trade sanctions. The board was to have been operating by January 1996, when an EU-Turkey customs union came into force. The customs union required Ankara to comply with European law by setting up an independent anti-trust body. The Union had threatened trade sanctions against Turkish exports if it failed to do so.

Political strains between Turkey and the EU have grown worse rather than improved since the customs union was implemented, with both sides criticising each other for failing to obey the rules. Turkey, now governed by an Islamist-led coalition, delayed appointing the board partly in protest at EU criticism of shortcomings in human rights, foreign policy and trade relations. The coalition partners also squabbled over appointments to the board.

John Barham, Ankara

Yeltsin lashes 'bad budget'

President Boris Yeltsin yesterday lashed out at his government for preparing a "bad budget" and vowed to push ahead with military reform. The tough remarks in a radio address are part of the ailing Russian leader's campaign to reassert himself as the dominant force in the country's politics, and fuelled speculation that a cabinet shuffle is imminent.

One of Russia's leading reformist cabinet ministers, Mr Yevgeny Yasin, the economy minister, hinted yesterday that Mr Anatoly Chubais, the president's controversial chief of staff, could return to a government post. Other well-placed observers predicted that instead of Mr Chubais, Mr Yeltsin was likely to bring in Mr Yegor Gaidar, who, as prime minister in 1992, launched Russia's first market reform programme. They said Mr Chubais's highly negative public reputation might deter the president from appointing him. Mr Gaidar is an equally vocal proponent of reforms, but is hated less.

Expectations of a cabinet shuffle were strengthened by Mr Yeltsin's clear dissatisfaction with economic measures taken during his long illnesses and convalescence.

Christina Freedland and Charles Clover, Moscow

German tax talks progress

Negotiators from the Bonn coalition and the opposition Social Democratic party yesterday reported limited progress in resolving their differences over tax reform and agreed to meet again next Saturday. Mr Theo Waigel, finance minister, said a meeting of three senior politicians from each side indicated some common ground on the need to lower the top rates of business taxes.

Mr Hermann Otto Solms, leader of the Free Democrat party in the lower house of parliament, said he would enter next week's talks with "critical optimism". But Mr Rudolf Scharping, SPD leader in the Bundestag, warned of "very deep, continuing differences" over the government's plans to tax weekend and extra-shift working and lower the top income tax rate.

Meanwhile, the Bundestag yesterday passed an important part of the government's programme to strengthen Germany's economic base when it voted to abolish the local trading capital tax. This is a levy imposed on companies whether or not they make a profit.

Peter Norman, Bonn

EU's single currency: Americans sceptical, Commission names the day

Emu fails to excite US money men

By Gerard Baker in Washington

It is not just European financial markets that have their doubts about economic and monetary union. The hard-bitten realists of America's financial community seem to be unpersuaded of its relevance or even the probability that it will in fact happen.

That seems to have been the message of the embarrassing cancellation of an international conference on Emu due to have been held in New York this week, sponsored by the London International Financial Futures Exchange, Europe's largest derivatives market.

As part of its preparations for the European single currency planned for 1999, Life

had scheduled a conference for Thursday and Friday to apprise top US investors, bankers, fund managers and economists of the significant implications for US capital markets of monetary union.

The conference attractions included an impressive list of keynote speakers from regulatory bodies, central banks and big European investment institutions. Sessions were planned on how the euro would affect European currency-denominated bond and derivatives markets and how it might affect the US economy.

Rooms were booked at the expensive Crown Plaza Hotel in the heart of Manhattan, a favoured site for lavish financial conferences. At \$1,295 per head, participants would be able to enjoy the

full range of attractions, including a cocktail reception hosted by Life.

ICM Conferences, the organisers, sent out more than 20,000 brochures advertising the conference, targeting those Americans thought to be most excited about the single currency. The aim was to attract the most senior American investment bankers, fund managers, currency and futures traders, lawyers and economists to what was billed as a conference of critical importance to their future business.

Backing up the invitations was what ICM describes as a highly intensive tele-marketing effort designed to spread the net as widely as possible. By two weeks ago the company had received 20 firm

acceptances (one of them from this reporter). The number was scarcely sufficient to fill one of the Crown Plaza's more modest suites and the conference was quietly cancelled.

Life officials in New York believed the lack of registrations for the conference did not reflect a simple lack of interest among American financial market participants in the Emu project. Though they acknowledged that to many the single currency still seemed a somewhat distant prospect, they said there was growing awareness of its importance. They pointed out that another conference to be held in the next month had already attracted much stronger interest.

The conference organisers, however, took a different view.

"We hadn't been expecting a huge response, perhaps 100, but 20 was a little too small... It really didn't seem to make much sense to fly over all those Europeans for that number of people," said an ICM employee.

She attributed the poor response to a combination of a total lack of interest in Emu and the strong air of unreality the project still had to many Americans. "It's probably fair to say that the general perception is that Emu is not actually going to happen," she said. ICM plans to try to reschedule the conference when it is a little clearer that monetary union is indeed a looming reality, probably in a year's time.

Warning on Italy's budget

By Paul Betts in Milan

Italy will not qualify for Emu unless it passes a supplementary mini budget of at least L15,200bn (\$9.15bn), the Bank of Italy warned yesterday. Without such action the 1997 public sector deficit would be 3.8 per cent of GDP. The maximum to qualify for Emu is 3 per cent.

In its half-yearly economic bulletin, the central bank also said GDP growth this year would only be slightly higher than last year's 0.8 per cent. However, the government was expected to meet its 2.5 per cent inflation target in 1997.

The government has been involved in intense negotiations with its coalition partners and opposition parties to prepare the mini budget, which it is expected to announce in the next few weeks.

By Lionel Barber in Brussels

European leaders will decide which countries qualify for economic and monetary union in late April 1998, after parliamentary elections in France, according to proposals by the European Commission.

Their timetable was announced a day before rumours of a two-year delay to Emu swept financial markets.

The new April 1998 cut-off date bows to German-led demands that the selection of Emu candidates should be based on actual 1997 economic data rather than forecasts or quarterly results.

The Commission has agreed to support a slight delay in the decision-making process in the interests of credibility - even if it offers financial markets more time to "second-guess" the list of countries meeting the Mas-

tricht criteria. France had pressed for selection of Emu qualifying countries well in advance of its March 1998 parliamentary elections. The Paris government was concerned that French nationalists could turn uncertainty over France's participation into an election issue.

Mr Yves-Thibault de Silguy, EU monetary affairs commissioner, sought to allay these fears in testimony to the National Assembly in Paris on Thursday, when he spelt out Brussels' views on managing the decision-making timetable on monetary union.

According to the Maastricht treaty, EU leaders must choose which countries meet the Emu criteria on public deficits, debt, inflation and exchange rate stability based on recommendations from the European Commission and the European Monetary Institute,

forerunner of the European central bank.

Mr de Silguy said the Commission and the Emu would possess definitive figures for each country's performance by the end of February at the latest. Their joint recommendations on which countries meet the Maastricht targets would therefore not be available until mid-March.

A further six weeks would be needed in order to consult national parliaments and the European Parliament, he said.

This pointed to a formal decision on Emu candidates at the end of April, at a summit chaired by the UK, which will hold the rotating EU presidency.

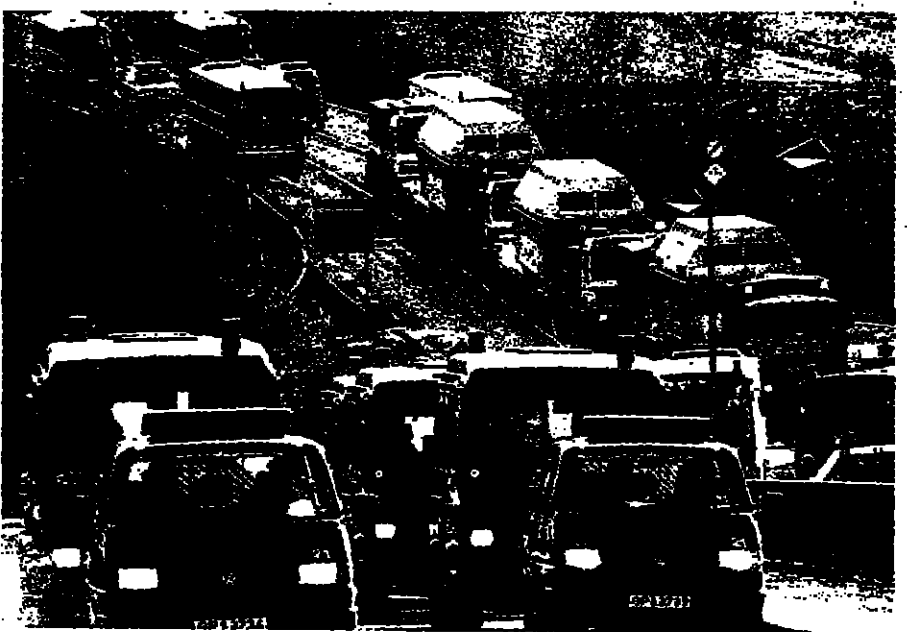
Mr de Silguy left open the most sensitive question of all - the degree to which EU leaders will follow strictly the advice of the Commission and Emu, or whether

they will exert the discretion allowed under the treaty and choose a broadly based Emu incorporating weaker Mediterranean economies.

It is understood that the release of the Emu and Commission reports will be closely co-ordinated - not only in terms of naming the same Emu qualifying countries but also in the interpretation of statistics relating to whether countries have shown a "high degree of sustainable convergence" in 1997.

The Commission may, however, seek to send signals to the financial markets about likely Emu candidates through its revised growth forecast for 1997, expected to be released in November.

The Emu decision-making calendar is to be discussed at a meeting of EU finance ministers and central bank governors in Noordwijk in the Netherlands on April 4-5.



A convoy of police vehicles guards trucks loaded with nuclear waste containers

Massed police foil nuclear protesters

By Peter Norman in Bonn

German police mounted their biggest operation since the second world war yesterday, against demonstrators trying to stop the transportation of nuclear waste to a special storage facility.

Nearly 30,000 officers have been mobilised to ensure that nuclear waste from two power stations in south Germany and from a French reprocessing plant at La Hague reaches the storage facility in Gorleben, Lower Saxony.

Yesterday, some 2,000 officers foiled demonstrators' efforts to prevent six con-

tainers reaching Walheim, Baden-Württemberg, where they are to be loaded on a train for shipment north.

The fiercest demonstrations are expected around the Gorleben site. It is thought that the waste will be moved there on Monday.

Radical opponents of the shipment have recently damaged overhead cables at various points on the German railway system, causing cancellations and delays.

The cost of the policing operation in Lower Saxony alone has been put at DM66m (\$39m).

Paris eyes tough ethics rules for civil servants

By Andrew Jack in Paris

The French government plans to introduce tough new ethics rules to eliminate conflicts of interest it believes are partly responsible for huge recent losses in state-owned enterprises.

The action comes in the wake of a new rescue package announced by the government on Thursday for GAN, the state-owned insurer, which is likely to bring the total cost of support provided to the group

by the taxpayer to at least FF23bn (\$4bn). That follows rescues for Crédit Lyonnais and a number of other state enterprises.

Mr Jean Arthuis, finance and economics minister, is aiming to issue proposals by this summer to restructure the French Treasury to introduce "Chinese walls" designed clearly to distinguish between different roles played by civil servants.

Officials involved in the discussions say he wants to separate civil servants

involved in supervisory and regulatory jobs from those sitting on the boards of publicly owned businesses or in other ways acting as representatives of the state in its role as shareholder.

Mr Arthuis also aims to introduce new codes of conduct - which may demand legislation - defining the rules by which civil servants may move between the public sector and private or state-owned businesses.

There are already rules in place governing *partoufflage*

or the move of senior civil servants into the private sector, designed to ensure there is no conflict between their duties while working for the state and the interests of the business by which they are hired.

However, the rules are more vague concerning the rehiring by the public sector of civil servants who are placed on secondment to state-owned enterprises, who are often paid private sector salaries but retain a guarantee of employment by the

state. In an unprecedented move, Mr Arthuis late last year cancelled the salary paid to Mr Patrice Chevallier, a former civil servant who had worked at Crédit Foncier de France, the troubled property lender which offered a government-backed mortgage programme and was taken over by the state last year to avoid it going bankrupt.

Mr Chevallier received a lump-sum payment of FF2.15bn when he accepted redundancy from Crédit

Logement, a subsidiary of Crédit Foncier, and was subsequently re-employed by the Treasury.

However, he is challenging the legal validity of Mr Arthuis's action, and the government believes clearer guidance on the subject is now required.

Mr Arthuis has argued on many occasions that the best way to avoid a repetition of the heavy losses incurred by state-owned banks, insurers and other public enterprises is to privatise them.

French film set rewrite the script

By David Buchanan in Paris

On Thursday, France's National Assembly voted through a revised immigration bill, and yesterday the country's film directors went back to their seats - happy in the knowledge that they had forced a script change on the politicians.

Bowing to the vast "petition movement" which the film directors launched, the assembly removed from the bill - designed to crack down on illegal immigration - the controversial obligation on French citizens hosting non-Europeans to tell the authorities when their guests leave.

The clause outraged many intellectuals because it smacked of Vichy-era "informing". So, now, those non-European foreigners

needing a visa for France will leave a "departure tab" with immigration control when they quit the country.

However, the row - so simply solved in the end - carries wider lessons for French politicians and their attitude to racism and immigration. Certainly, there was an element of that French speciality, political street theatre, and of the nostalgia of the Paris intelligentsia for the joys of May 1968 when they rocked the de Gaulle administration.

But it could also prove a turning point in attitudes to the far-right National Front of Mr Jean-Marie Le Pen. "The problem with this country is that all the politicians, left as well as right, have been spending their time trying to seduce the 15 per cent who vote National

Front," said Mr Arnaud Desplechin, the film director who was behind his profession's call for civil disobedience to oppose the bill.

"No one has been making laws for the 85 per cent who don't vote FN," he complained in an interview. "The politicians keep claiming it is the people who are being Le Penised, when it is in fact they who are Le Penised. True, elections are often won and lost on the margin, but it is outrageous the majority is ignored."

He rejects government fives that France's film directors have no idea what life is like in the tough suburbs of the nation's cities, pointing out that he lives in a rough quarter around the Gare du Nord in Paris, and that the French film world is largely drawn, like himself,

from the "popular classes".

The way the petition movement spread certainly indicated the "intellectuals" had some popular backing, despite the majority sentiment in the opinion polls supporting the government. This time it was a war in which the weapons were axes, rather than Paris paving stones, with one profession after another egging each other on.

The appeal of the "50 cinéastes" was followed by that of "the 158 writers", that of the 121 unpronounceable (foreign) names and so on. The petitioners eventually included lawyers, magistrates, dentists, a few police, and even psychoanalysts (though Freudians and Jungians could not unite in a single petition). The left-leaning Liberation newspaper joy-

fully played the role of intermediary, printing fax and Internet numbers of various groups, and eventually this week turned itself into a telephone directory by printing a special supplement of 55,000 signatories. The upshot was that the organisers were able to present petitions totalling 120,000 names to the National Assembly at the start of its immigration debate this week.

The "collective of film-director signatories" is now disbanded and Mr Desplechin has gone back to planning a sequel to his latest production *My Sex Life*. As for Mr Alain Juppé, the prime minister, he is paying more attention to another kind of image: he has invited some of Mr Desplechin's film colleagues to dinner on Monday to explain his policies.



Founded 1st March, 1797

FINANCIAL TIMES
Published by The Financial Times (Europe) GmbH, Nibelungenplatz 1, 60318 Frankfurt am Main, Germany. Telephone +49 69 159 330. Fax +49 69 159 481. Registered in Frankfurt by J. Walter Brandt, Wilhelm J. Brandt, Colin A. Kennard as Geschäftsführer and in London by David C.M. Bell, Chairman, and Alan C. Miller, Deputy Chairman. The shareholder of the Financial Times (Europe) GmbH is Financial Times Overseas Holdings Limited, 1 Berkeley Square, London, W1X 1LE. Shareholder of this company is Pearson plc, registered at the same address.
GERMANY:
Responsible for Advertising content: Colin A. Kennard. Printer: Huppert International Verlagsgesellschaft mbH, Adolph-Heubert-Strasse 3a, 63303 Neu-Isenburg (SSN 0174 7363). Responsible Editor: Richard Lambert. © The Financial Times Limited. Number One Southbank Bridge, London SE1 9HL.
FRANCE:
Publishing Director: P. Marvial, 42 Rue La Boétie, 75008 PARIS. Telephone (01) 576 8254. Fax (01) 576 8251. Prime: S.A. Nord Eclair, 1521 Rue de Clichy, F-91010 Evry-Courcouronnes. Editor: Richard Lambert. ISSN 1143-2773. Constitution: Partisan No 67802.
SWEDEN:
Responsible Publisher: Hugh Carnegie 468 618 028. Printer: AB Kvalitetstryckeriet Expressen, PO Box 6007, S-50 050, Västerås.
© The Financial Times Limited 1997. Editor: Richard Lambert. © The Financial Times Limited. Number One Southbank Bridge, London SE1 9HL.

NEWS: INTERNATIONAL

Second chairman resigns in Japan

Scandal claims head of Mitsubishi Oil

By William Dawkins in Tokyo

Corporate Japan witnessed its second resignation in a week yesterday, when Mr Kikuo Yamada, chairman of Mitsubishi Oil, stepped aside to atone for a series of suspect oil deals.

Mr Yamada's resignation from one of Japan's largest oil companies comes two days after Mr Tomichi Akiyama, chairman of Sumitomo Corporation, the trading group, resigned to take the rap for a \$2.5bn loss on fraudulent copper trades, the biggest single loss in Japanese corporate history.

Mr Masafumi Kishi, executive vice-president of Mitsubishi Oil, is also stepping down. But in keeping with the Japanese tradition that such gestures should be strictly symbolic, they will be kept on as consultant and adviser respectively.

Mr Yamada's sin was to be company president - the top executive job - when Mitsubishi Oil sold its products heavily through a disgraced but well-connected Osaka wholesaler, Mr Junichi Imai, facing charges of fraud, bribery and tax evasion.

Three Mitsubishi group companies have bought for ¥183.9bn (\$1.5bn) a share of a 5.3 hectare development site in central Tokyo. Mitsubishi Corporation, a trading company, Mitsubishi Heavy Industries and Mitsubishi Motors were among 18 companies in a consortium which bid for the Shinagawa Station East site. Others included Canon Sales and two property companies. The land will be developed into office, commercial, hotel and residential units.

The auction was the second in Tokyo this year by JNB Settlement, an agency set up by the government to dispose of Japan National Railways' assets. JNB was broken up in 1983 after accumulating debts of ¥22,000bn.

involved. State prosecutors questioned both executives who resigned yesterday.

"It is clear [that] huge and irregular funds were funnelled and we apologise for it from the bottom of our hearts," said Mr Yoshihiko Izumitani, the group's president.

The ministry of international trade and industry yesterday said an official had introduced Mitsubishi Oil to power companies, but maintained there had been no irregularities.

The resignations come at a sensitive time for Mitsubishi Oil. Two weeks ago the company announced it was talking to Showa Shell Sekiyu, Japan's largest oil refiner and distributor, with a view to pooling refining capacity, better to endure a domestic price war.

At the time, Mitsubishi Oil forecast a ¥9.5bn (\$76m) recurring loss - before tax and extraordinary items - in the year to March, from a ¥21.7bn profit last year. This will be its first deficit in 12 years. The share price slipped ¥8 to ¥508 yesterday, 50 per cent below the most recent peak, in April 1996.

PM gets his cabinet to try discipline of Japanese tea ceremony

Malay punks raise Mahathir's ire

Malaysia's cabinet last week tried to teach itself discipline in a Japanese tea ceremony. It sat down to the intricate ritual and physical discomfort of the *cha-no-yu*, the Japanese tea ceremony, an object lesson in self-control.

There was much ministerial mirth at the obvious discomfort of the mermaid-style sitting position. There was more enduring discomfort at the subject to hand.

Dr Mahathir Mohamad, prime minister and one of the tea party, believes Malaysia is on the slippery slope of moral decline. The tea ceremony was meant to show that ministers, at least, are leading clean, disciplined lives.

Crime in Malaysia remains less widespread than in the west and the behaviour of many of the country's youth would be considered exemplary by European standards. But there are signs that the tide of propriety is turning. The number of addicts in the country of 20m people increased at a rate of 38 a day last year, the National Narcotics Agency announced this week. In Malaysia, convicted drug smugglers face a death sentence.



Dr Mahathir believes Malaysia is on the slippery slope of moral decline

Punk culture is also beginning to take root. High-school girls and boys who look no different from their peers during the week take on a different persona at the weekend. They glue their hair into spikes, wear clothes held together with safety pins and hang around shopping centres in fashionable parts of town. The rebelliousness which the punk fad symbolises has made it a natural target for

Dr Mahathir, a frequent critic of western youth characteristics which he regards as too permissive.

"The country does not need this punk culture. It is stupid," he told students at a local university recently.

But what has proved particularly vexing to the prime minister is that the problems of drug addiction, free sex, alcoholism and other "social ills" have been shown to be more prevalent among Mal-

aysia cannot close its doors on the information age.

Another observer raised the case of Mr Muhammad Taib, the chief minister of Selangor state and a vice-president of the dominant political party, the United Malays National Organisation.

Last year he criticised the decision to allow pop star Michael Jackson to perform in his state on the grounds that the singer's performance would have an untoward influence on youth.

Shortly afterward Mr Muhammad was caught with M\$2.4m (\$1m) in cash which he had failed to declare while leaving Brisbane airport in Australia.

How could people like that pretend to be arbiters of moral standards, the observer asked.

James Kynge

Growth in US revised down

By Gerard Baker in Washington

The US economy grew less rapidly in the last three months of 1996 than previously reported, the Commerce Department said yesterday.

Gross domestic product grew at an annual rate of 3.9 per cent in the final quarter of last year, revised down from a previous estimate of 4.7 per cent.

For 1996 as a whole, growth was an estimated 2.4 per cent, down from the previous forecast of 2.5 per cent, but still a little faster than what monetary authorities regard as the sustainable long-term growth potential.

The main factor behind the revision was a much smaller increase in business stocks than previously estimated.

That suggests growth in the current quarter could be correspondingly higher than previously forecast by most economists, since increases in consumer demand will more likely be met from increased production.

The performance of the economy in the current quarter will be a critical determinant of any changes in the Federal Reserve's monetary policy.

Mr Alan Greenspan, the Fed chairman, said on Wednesday he expected growth to slow throughout 1997 to a more sustainable pace than was registered at the end of 1996.

If the economy does not slow appreciably, however, the central bank may decide to raise interest rates in the next few months to curb inflationary pressures.

In another report published yesterday, the National Association of Realtors said existing home sales increased by 2.1 per cent in January from the previous month.

The increase followed a fall of 3.7 per cent in December.

For the last six months, existing home sales have been in a downward trend. Sales peaked last summer at more than 4.2m but declined to 3.94m last month.

Mutual funds make inroads

By Tracy Corrigan in New York

Assets held by US institutional investors reached \$11,100bn last year, up from \$10,500bn a year earlier and \$6,500bn in 1990, according to a report published by the Conference Board, the US business research group.

However, while pension funds still control the largest block of US institutional assets, their share of the US stock market fell to 36.8 per cent in 1996, from 39.4 per cent in 1990.

This follows the growth of open-end mutual funds, which held 19.1 per cent of the market against 14.5 per cent in 1990.

The report also found that the growth of public pension funds is outpacing that of private sector funds.

Public funds held 8.6 per cent of the US equity market in 1996, up from 7.1 per cent in 1990, while private funds' share of the market fell from 15.5 per cent in 1990 to 12.6 per cent last year.

"Corporations are faced with a double whammy," said Ms Carolyn Kay Brancato, director of the Conference Board's global corporate governance research centre and author of the report.

"Public state and local funds are more 'activist'... They are also increasing economic clout in equity markets as corporate pension plans level off in the face of restructuring and a shift to defined contribution plans."

During last year's first half, private sector pension funds grew only 4.3 per cent compared with 8.1 per cent for state and local funds.

Public pension funds are also investing more aggressively in equities, allocating a record 52.6 per cent of total assets.

© Institutional Investment Report. Published by the Conference Board's global corporate governance research centre at 945 Third Avenue, New York, NY 10022, US.

S Korea leader gives way on job reform

By John Burton in Seoul

President Kim Young-sam of South Korea made a further effort to restore his damaged political credibility yesterday by retreating from controversial efforts to reform the country's rigid labour market.

In an unexpected concession made in response to a wave of labour protests, he agreed to delay proposals that would have made it easier for companies to sack workers.

The move is regarded as an acknowledgement by the government that it cannot proceed with tough measures to revive the economy because of political considerations in a presidential election year.

President Kim Young-sam "appears to have lost courage in pushing economic reforms," said a senior finance ministry official.

The proposal had sparked three weeks of sometimes violent industrial unrest in January after the government forced a new labour law through parliament. In response to mounting protests, President Kim agreed

to resubmit the law for amendment.

A parliamentary committee that is revising the law agreed to postpone worker redundancies for two years, while it gave immediate official recognition to a dissident union group that had led the strikes.

The outlawed union group, the Korea Confederation of Trade Unions, yesterday staged a limited four-hour strike at the Hyundai and Daewoo car companies to press parliament for further concessions to workers.

The Federation of Korean Industries, which represents leading conglomerates, criticised the delay of the redundancy provision as harming efforts to improve national competitiveness when economic growth is slowing. High wage growth and over-manning have been blamed for a sharp rise in production costs over the past decade.

President Kim yesterday sacked his chief economic adviser, Mr Lee Suk-chae, who was considered instrumental in pushing the tough labour law through parliament late last year. Mr Lee

Vietnam acts to shore up its banking sector

By Jeremy Grant in Hanoi

Vietnam's central bank said yesterday it was rescuing a troubled private bank as part of sweeping changes designed to bolster state control of the sector and tackle slack lending practices.

The move was prompted by concerns surrounding Vietnam Joint-Stock Commercial Bank (VP Bank), the first local bank to have foreign shareholders. Its problems stem from its failure to pay \$3m to Saangyong of South Korea under a deferred letter of credit. It faces a further \$7m in liabilities to Saangyong and additional amounts to other customers.

The value of the letter of credit in the VP Bank case is raising eyebrows because it

is large relative to the Hanoi-based bank's \$22.3m capital base. Yesterday the Lao Dong (Labour) newspaper reported that \$228m in deferred letters of credit were coming due in the first quarter of this year in Ho Chi Minh City alone.

Foreign bankers, who describe VP Bank as one of the best-run "joint stock" banks, say the government's move to shore up the debt-ridden sector reflects growing worries that it may be in worse shape than thought.

Vietnam has been rocked by a series of bank fraud cases, including the so-called Tameco affair which in January resulted in a jail sentence for a former director of the country's biggest bank.

VP Bank, which was set up to lead to the Commu-

nist-run country's small private sector, has a liquidity problem, thought to be the result of failed business ventures in Russia. A central bank official said it was trying to arrange a "lifeline" whereby one or more of the four dominant state-owned banks would inject capital and install management personnel on its board.

Similar moves were planned for some of the largest of the other 54 joint stock banks, where the central bank had identified problems, he said. Most of their business is based on lending to the nascent private sector.

VP Bank's shareholders include Dublin-listed Vietnam Fund and Vietnam Enterprises Investment, as well as prominent Vietnamese businessmen.

Wherever you come from, we speak your language.



"Swiss" isn't a language, like Swedish or Spanish, but four:

French, German, Italian, Rhaeto-Romanic. So it's a national

trait of ours to be internationally-minded. At Swissair, in the

air and on the ground, especially at our Zurich hub, you'll

see that Swiss can be even more languages: Japanese.

Korean, Thai, Hindi. Even Arabic or Chinese. Traditionally,

Congress begins life after Deng

China's leadership rivals jostle to make impression as parliament convenes

By Tony Walker in Beijing

Qiao Guo, chairman of the standing committee of the

advance their interests. Among positions falling

ing inflation. China's economy grew last

"drive to deepen reforms, open wider to the outside

NEWS: UK

Investment banking arm suspends trader after discovery of 'mispricing errors' in options book

NatWest unearths \$81m trading hole

By George Graham, Banking Correspondent

National Westminster Bank yesterday suspended a senior trader after it discovered a \$50m (\$81m) hole in the options trading book at NatWest Markets, its investment banking arm.

NatWest said it had discovered "mispricing errors" in its interest rate options book following the departure of a junior trader and would make a provision in its first half results. The unnamed trader has been reported to the Securities and Futures Authority, the financial markets regulator.

The bank has also suspended Mr Neil Dodgson, who joined NatWest in 1991 as manager of European currency trading, for failing to supervise the trader.

The developments are the latest in a series of high profile cases of lax supervision and inadequate internal controls. At Barings, Mr Nick Leeson ran up \$830m of trading losses in Singapore which eventually sank the parent bank. Illit investments in unlisted securities by Mr Peter Young, a star fund manager at Morgan Grenfell Asset Management, cost Deutsche Bank, its parent, an estimated \$200m last year. At Daiwa Bank, Mr Toshihide

Iguchi accumulated \$1.1bn of losses over 11 years of bond trading in New York, while Mr Yasuo Hamanaka's copper trading cost Sumitomo Trust a total of \$2.6bn.

Options pricing can be difficult, but \$50m is one of the bigger holes to have been discovered. "You'd have to be going some to dig a hole that big," said a rival trader.

Although the case has been reported to the SFA, no indication has been given that any criminality might be involved. NatWest officials insisted that all losses were incurred on the bank's proprietary trading book and said no clients had been affected.

The trader, who resigned from NatWest before collecting his 1996 bonus, was not one of its top traders. The errors were discovered after his departure.

The gap discovered on his options pricing is thought to have been roughly 10 times the size of the profits he reported last year.

One possible cause of NatWest's difficulties may have been the mispricing of sterling and Swiss franc interest rate caps. These derivative contracts are used to take advantage of low short-term interest rates while maintaining protection against a sharp rise. The volatility on interest rates is greater in the

short term than in the long term, but NatWest was believed by other traders to be calculating prices using an average rate of volatility across the life of the cap. The resulting error meant that NatWest has been systematically offering the best prices in the market for certain types of interest rate cap.

The currency interest rates team in which the error occurred now falls under the management of Mr Chip Kruger and Mr Gary Holloway, heads of Greenwich Capital, the US debt trading business NatWest bought last year for \$95m.

Lex, Page 24

Plant product market oiled by cosmetics

Demand for natural ingredients drives research into novel crops

Growing consumer demand for "natural" goods is driving the search for cosmetics and healthcare products derived from plants such as oats, thyme and gold of pleasure (*Camelina sativa*), an ancient herb now favoured for its emollient properties in skin care.

There has also been a swing back to plant-based pharmaceuticals, aided by technological advances which have enabled more accurate detection and manipulation of active ingredients.

Markets for these plant products can be lucrative for the UK companies exploiting niche crops. Some plants produce oils suitable for both pharmaceutical and industrial use, widening their appeal. But wild flora do not yield up their resources lightly. There can be obstacles at every stage, in growing, harvesting, processing and marketing the oils.

"There's a wonderful library of material available to us," says Mr Keith Coupland of Croda Unilever, the speciality chemicals

company in north-east England that developed Lorenzo's Oil, the subject of a Hollywood film, from high erucic acid rapeseed.

Croda is constantly on the lookout for novel plant fatty acids, and for new technology to convert these into chemical intermediates, he says. "But I know from personal experience that synthesising some of these molecules is almost impossible. The easy ones have all been done."

Oilseed rape is an encouraging example of what can be achieved. Two decades ago, it was a seen as a fringe crop with an unappealing name. Now it is a mainstream source of cooking oil. Croda estimates the value of western industrial production of high erucic acid rapeseed oil at about \$360m (\$563.2m). Other applications are being developed, for example as an ingredient in haircare products to prevent static.

It has been a boon to farmers in the UK, which is now the world's biggest producer of high erucic acid rapeseed, says Mr Andrew Hebard, managing director of Kings,



Food for thought: a frond of borage. Its leaves were once thought to give soldiers courage

a crop research company that supplies Croda and other oleochemical companies and is owned by Associated British Foods.

Many farmers have been reluctant to switch to novel crops because growing cereals and oilseeds has been so profitable. In the EU, some potential winners like cranberry, a cabbage-like herb that contains the highest natural source of the much-prized gamma-linolenic acid (GLA), is already developing fast in the UK without Common Agricultural Policy support.

About 2,800ha are grown worldwide, most of them in Britain, according to Kings.

This wild herb, whose leaves were eaten by soldiers in the 17th century to give them courage in battle, has seeds containing the highest natural source of the much-prized gamma-linolenic acid (GLA). An essential fatty acid, GLA is used for pre-menstrual tension, eczema, diabetes and arthritis.

The best-known source of GLA is evening primrose oil. GLA has a global retail market value of \$200m-\$300m, estimates Mr David Horrobin, chief executive of Scotia, which owns Efmol, the world leader in developing uses of the essential fatty acid. He reckons the market is growing at 10 per cent to

20 per cent a year and says one in three Australian women now take evening primrose oil.

Kings' research shows that borage can be profitable for growers, beating gross margins for wheat, oilseed rape and barley. The plant, known as starflower in shops, requires lower input of chemicals and fertiliser.

The difficulties of taming wild plants have encouraged trials in genetic engineering to incorporate genes for desirable fatty acids into more familiar crops.

Mr Horrobin comments: "We need to know more. That's a real problem with a lot of natural products. There's a tendency to say that natural is safe and forget that hemlock and snake venom are natural."

Alison Maitland

Record fines over walkway collapse

By John Mason, Law Courts Correspondent

Record fines totalling £1.7m (£2.75m) were imposed yesterday on the Port of Ramsgate in southern England, two Swedish engineering companies and Lloyd's Register of Shipping following the collapse of a passenger walkway at the port in 1994 in which six people were killed.

A judge in London said the Swedish companies and Lloyd's Register, the international maritime safety body, had been guilty of "gross negligence".

Imposing the biggest penalties ever on companies under UK Health and Safety laws, he said: "The purpose of these fines is in part to bring it home to the boardrooms of companies and the controlling minds of other entities that safety of the public is paramount."

The judge said the Ramsgate accident happened because of "gross errors" by the companies which designed and built the walkway and by Lloyd's Register, which was responsible for checking its safety.

Port of Ramsgate, the operator of the port, was less culpable but still bore some responsibility because it failed to foresee the possibility of the walkway's collapse, he said.

The two Swedish companies, Fartygsentreprenör AB (FEAB) and Fartygsomstruktör AB (FOAB), both subsidiaries of the Mattson group, were fined £750,000 and £250,000 respectively. They were also ordered to pay prosecution costs of £2,500. The companies refused to attend the trial and were convicted in their absence.

Lloyd's Register, the world's leading organisation for imposing maritime safety standards was fined £500,000 and ordered to pay prosecution costs of £252,500.

Port of Ramsgate was fined £200,000 and ordered to pay prosecution costs of £219,500. The judge said that while the port had accepted the advice of both the Swedish companies and Lloyd's Register, companies could not "simply sit back and do nothing and rely upon others, however expert".

Port of Ramsgate, which had pleaded not guilty to the charges, said it was considering an appeal.

Sony fires latest shot in video game war

By Alice Rawsthorn in London

Sony, the Japanese consumer electronics group, fired the latest salvo in the video games war yesterday by reducing the price of its PlayStation games console by £70 to £129.99 (\$210) on the eve of the launch of the Nintendo 64 system.

The senior management of Sega is meeting this weekend to decide whether to reduce the price of its £199.99 Saturn console, which has been PlayStation's chief competitor.

The Nintendo 64, which goes on sale in the UK today with a recommended retail price of £249.99, is based on technology which makes it faster and more powerful than the PlayStation and Saturn.

Since their launch in autumn 1995, the Sony and Sega systems have dominated the video games market, and sales of the older generation systems have fallen dramatically.

However, the Nintendo 64 has achieved significant sales in Japan since its introduction there last July, and in North America, where it sold 1.7m systems between its September debut and Christmas.

In the 18 months the PlayStation and Saturn have been on the market, Sony and Sega have adopted a strategy of pricing the consoles as cheaply as possible in order to establish a base of players to whom they can sell the highly profitable games software.

Sony reduced the price of the PlayStation from £299.99 in September 1995 to £199.99 last May. The PlayStation is the best-selling games system in the UK, having sold a total of 750,000 consoles. Sega followed by cutting the Saturn's price.

The latest price cut by Sony is intended to stop the Nintendo 64 from taking future sales away from the PlayStation.

Irish premier says Northern Ireland peace talks should continue IRA urged to reject coercion

PA News Reporters

Mr John Bruton, prime minister of the Republic of Ireland, yesterday urged the Irish Republican Army and Sinn Féin, its political wing, to accept they could never coerce the majority in Northern Ireland into anything against their will.

"The fact that the republican movement has not accepted consent - in other words, that they accept still the principle of coercion - means that the decommissioning issue is much more difficult because the arms are seen as potential means of coercion," Mr Bruton said during a visit to Northern Ireland to examine cross-border trade possibilities.

"If the republican movement can definitively say that coercion of a majority in Northern Ireland is never going to happen and is

Two men claiming to represent the Irish Republican Army dragged a girl of 16 from a taxi office in Armagh City, tied her to a lamppost, threatened her with an iron bar and backed her hair off before covering her in paint, said Northern Ireland police.

People who came forward

wrong in principle, the issue of decommissioning of arms is much less difficult to solve."

But in spite of the problems facing talks about the future of Northern Ireland, Mr Bruton said he did not agree with those who suggested suspending the talks. The divisions in Northern Ireland had existed for more than 300 years and had sometimes led to violence. "The idea that in talks that have taken place for

to help were warned to stay away or risk being attacked themselves.

Police said they knew of no motive for the assault, but people in the area said they believed the girl had been a victim of a so-called "punishment attack" by republican paramilitaries.

Mr Bruton said the republic was experiencing its fastest and most sustained growth. He added that the new economic scene also helped new thinking about politics. "Traditional attitudes are being re-examined. This creates a good climate in which to build a new relationship between both parts of the island."

He claimed: "The sense of self-confidence inspired by the economic achievement of the Republic of Ireland will be a significant contributor to finding an agreed basis on which all of us who live on this island can find a political accommodation."

The fiercely anti-nationalist Democratic Unionist party condemned Mr Bruton's visit, saying it would do nothing to improve rela-

tions with pro-British unionists in Northern Ireland. Mr Joe Doherty, a DUP local politician, said Mr Bruton was the head of a foreign state which harboured terrorists and laid claim to Northern Ireland.

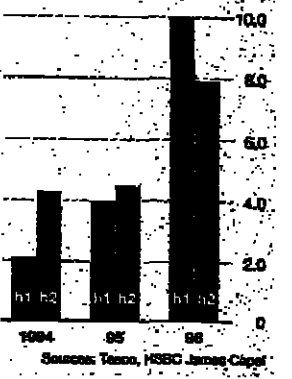
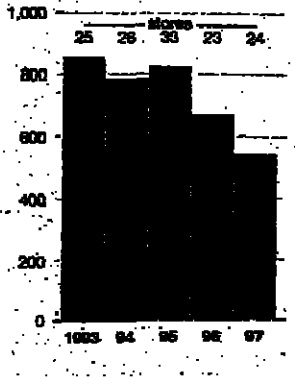
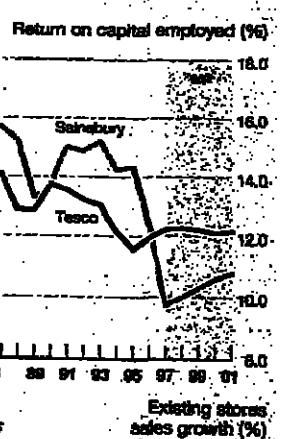
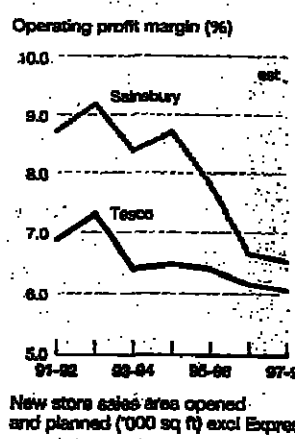
Mr Bruton said the republic was experiencing its fastest and most sustained growth. He added that the new economic scene also helped new thinking about politics. "Traditional attitudes are being re-examined. This creates a good climate in which to build a new relationship between both parts of the island."

He claimed: "The sense of self-confidence inspired by the economic achievement of the Republic of Ireland will be a significant contributor to finding an agreed basis on which all of us who live on this island can find a political accommodation."

The fiercely anti-nationalist Democratic Unionist party condemned Mr Bruton's visit, saying it would do nothing to improve rela-

Skier aims to keep retail giant from going downhill

Store wars



Mr Terry Leahy was on the ski slopes in France last week when he officially became chief executive of the UK's leading supermarket group, Tesco, moving up from deputy managing director. But although he may have taken a tumble or two on the slopes, he has no intention of letting the company - which in the past 18 months has stolen the lead from rival J Sainsbury - slide downhill.

It has been hard to ignore Tesco lately. It has dominated the headlines with high-profile innovations - from customer loyalty schemes to mail order catalogues - which appear to have left the competition standing.

J Sainsbury now lags behind Tesco in market share by about 3 percentage points, according to retail consultants Verdict. Investors are fulsome in their praise for the company, which has increased sales and profits while transforming itself from a downmarket destination to the favourite of the higher-spending

Tesco leads the race but its new chief executive faces questions over projects in France and central Europe

middle classes. But is the praise overdone? Not long ago, Sainsbury was considered untouchable. Today, after board changes, strategic reversals and a recent profit warning, it has few enthusiastic supporters in the investment community.

Mr Leahy is aware that to avoid a similar fate, Tesco will have to address several questions being asked by investors. Most importantly, to what extent is he or his management actually responsible for Tesco's success so far? And has the new management a coherent strategy to increase sales in a virtually stagnant UK food market?

"Tesco has been lucky," says one analyst. "Its success has partly been the function of the relative weakness of Sainsbury, which clearly handed them the prize, rather than Tesco seeking it."

Mr Leahy agrees, but only

to a limited extent. "Sainsbury is still searching for the right formula," he says. The real key to success was in rediscovering the company's customers. In the past Tesco had merely sought to emulate Sainsbury and Marks and Spencer. As a result, "We failed to respond to recession and the different needs of our customers in recession. We stopped that process...and concentrated

on our own customers." As Tesco's first marketing director, Mr Leahy has clearly played a crucial part in this. But he has also played a key role in another area of the group's development which draws less enthusiastic praise.

In the past four years the company has invested about £400m (£648m) in other countries. It owns a food retailer, Cateau, in France and supermarket chains in Poland, Hungary, the Czech Republic and Slovakia.

It has also slowed the rate of dividend growth to take advantage of opportunities outside the UK. "France has been a failure, strategically as much as anything else," said one analyst. Observers are still undecided about Tesco's ventures in central Europe, where the company has clearly indicated that it is planning for the long term.

Mr Leahy disagrees strongly with the view that

UK NEWS DIGEST

BA adamant on flight numbers

British Airways said yesterday that it expects aircraft manufacturers to build a 500-seat jet, in spite of the announcement by Boeing of the US last month that it had shelved plans for a "super jumbo". BA was responding to a demand by Mr Roy Vandermeer, chairman of a public inquiry into plans for a fifth terminal at London's Heathrow airport. He had asked the airline to explain how it would keep flights to an acceptable level after the Boeing announcement.

BA told the inquiry that Airbus Industrie, the European consortium, was pressing ahead with its 550-seat A3XX. Boeing was also looking at ways of redeveloping its existing aircraft. BA said that even if the big aircraft were not built, the increase in the number of Heathrow flights would be small. This was because BA was, in any event, increasing the average size of aircraft that it used.

Environmental campaigners have said the Boeing decision meant the building of a fifth terminal would greatly increase the number of flights, as passengers would have to be carried in aircraft no bigger than those in use today. BAA, the owner of the airport, says the fifth terminal would increase the number of passengers using Heathrow each year from 56m to 80m.

Michael Shopshire

FOOD AND DRUG ADMINISTRATION Warning issued to Zeneca

Shares in Zeneca, the UK pharmaceutical group, fell sharply in London yesterday after the US Food and Drug Administration warned the company to sort out manufacturing problems at its Macclesfield plant in north-west England. The FDA said it would not recommend approval of any new drug applications which list Zeneca as the manufacturer of sterile pharmaceuticals until the problems had been resolved.

The sterile manufacturing area, which was inspected by FDA officials twice at the end of last year, is dedicated to the production of Zoladex, a treatment for prostate and breast cancer. Zeneca said the safety and efficacy of Zoladex, which has been manufactured at Macclesfield for 11 years, was not under investigation. The manufacture, supply and use of the drug are unaffected by the FDA warning. The shares fell by 49p to £17.89 in London on the news.

Giles Cookson

CITY DEVELOPMENT

\$1.6bn package for Birmingham

Birmingham, the second biggest city in England, is poised for a £1bn (\$1.6bn) investment package in the most substantial rebuilding of its city centre since the concrete developments of the 1960s. The city's central streets will be transformed by a series of projects over the next five years, a conference of business leaders and council officials heard yesterday.

But Birmingham's business community warned yesterday that the city's future will be in jeopardy unless its new developments are co-ordinated to make the city more attractive. Mr Brian Woods-Scawen, senior partner of accountants Coopers & Lybrand in Birmingham, told the conference that the city centre was vital to the growth of the financial and professional sector, which employs 60,000 people in the city. "We are competing not just with Manchester and Leeds, but Frankfurt, Rome and New York," he said.

Richard Wolfe

MILLENNIUM THREAT

Computer date 'bomb' bill fails

The government yesterday failed to support a bill which would force companies to tackle the threat posed to computer systems by the date change in 2000. The bill, sponsored by an MP in the governing Conservative party, failed to complete its passage through the House of Commons. It was supported by big companies worried about the impact of the "millennium bomb" on their customers' and suppliers' computer systems.

David Whitham

BBC

Transmission system purchased

The BBC, the public service broadcasting organisation, yesterday completed the sale of its UK radio and television transmission system to a consortium led by Castle Tower of the US in a deal worth £244m (\$385m) net of expenses. The other members of the consortium, Castle Transmission, are TeleDiffusion de France and two investment companies - Berkshire Group of the US and the UK's Candover Investment.

Raymond Snoddy

TRUCK INDUSTRY

Iveco Ford confirms plant closure

Iveco Ford Truck confirmed yesterday that truck production is to close at its Langley plant near London's Heathrow airport with the loss of 450 jobs. The company, a joint venture between Ford and the commercial vehicles arm of Fiat of Italy, blames over-capacity in Europe's truck industry and a shift in demand from the medium-weight vehicles which Langley produces in favour of heavier vehicles, built mainly at Iveco's Brescia plant in Italy. Production of Langley's medium-weight Cargo and Super Cargo vehicles is also being transferred to Brescia, which has spare capacity.

John Griffiths

Over the next few years the real test will be performance in the UK

Terry Leahy, Chief executive, Tesco

Mr Leahy disagrees strongly with the view that

Peggy Hollinger

COMPANIES AND FINANCE: UK

London, New York and Paris to work together more but keep their separate identities

Lazard to merge US and UK fund arms

By George Graham, Banking Correspondent

The Lazard merchant banking houses are to merge their New York and London fund management divisions into a single unit managed from the US.

Currently, the three Lazard banks in London, New York and Paris operate separately, although with interlocking management and ownership structures. However, in recent years they have been mov-

ing to bring their operations closer. Last year, they set up Lazard Capital Markets, a partnership that provides equity underwriting, distribution and research throughout Europe.

Mr David Verey, chairman of Lazard Brothers & Co in London, said the merger of the fund management divisions was a further step along this road, though that did not mean that the three Lazard banks would end up merging into a single firm.

"What we need to do in asset management - and it's been obvious for some time - is where business operations fit, they should move together rather than even think about competing," he said.

Mr Michel David-Weill, chairman of Lazard Frères in New York, said the new combined operation would "enable us to leverage our investment capabilities and provide global asset management to all our clients under a single umbrella".

The combined business, to be

known as Lazard Asset Management, will have \$45bn (£27.7bn) under management. It will be based at Lazard's offices in Rockefeller Center, New York, and run by Mr Norman Eig and Mr Herb Gullquist from the US operation.

Lazard's fund management operations in Paris are more directed at private clients, but they will work closely with the new unit on institutional management, as the French market for private pension fund management develops.

Both the London and the New York fund management operations are bottom-up investors, and no significant clash of investment philosophy is anticipated.

"We are better at stock picking than anything else," Mr Verey said. Mr Verey said the Lazard houses wanted to maintain their separate national identities while continuing to find areas where they could work together, avoiding the duplication of skills.

Three left in ScotAm chase

By Christopher Brown-Humes

Three companies beat yesterday's deadline for bids for Scottish Amicable, the mutual life insurer, but none chose to make details public.

This makes the battle to acquire the mutual a three-horse race between Prudential, Abbey National and Australian Mutual Provident, Australia's biggest life insurer.

It is widely believed that Abbey has raised its initial £1.4bn offer - following strong hints earlier - although it would not confirm this.

The Prudential initially tabled a £1.9bn bid, includ-

ing a £1.1bn loan to the Scottish Amicable life fund. AMP has not put a figure on its offer.

There will now be two weeks of discussions before final bids in mid-March. Scottish Amicable hopes to announce a recommended bidder in about a month's time.

The bidders can ask Scottish Amicable to publicise their offers at any time. The hardest task for Scottish Amicable - and its adviser SBC Warburg - will be to distinguish between headline bid numbers and best overall value for policyholders, as the competing bids are likely to be structured very differently.



Sir Terence Harrison: the former Rolls-Royce chief executive becomes Newcastle's non-executive chairman

Newcastle reins in transfer buying

By Patrick Harverson

Newcastle United published the prospectus for its forthcoming £193m flotation yesterday and said it would not be spending large amounts of money on new players as the club embarked on its first year as a publicly-quoted company.

The Premiership club has run up a deficit of more than £50m on player transfers over the last five years, and having pledged to pay a dividend this year it has decided to rein in transfer spending, at least for the short term.

Newcastle also announced the appointment of Sir Terence Harrison, the former chief executive of

Rolls-Royce, as non-executive chairman. Sir John Hall, the club's owner, will not be on the board of the holding company, but will remain chairman of the club. His stake will be reduced from 79 per cent to 57 per cent.

About £47m will be raised from the sale of 40m new shares, of which at least 10 per cent will be set aside for fans and individual shareholders. The shares will be priced between 120p and 135p when trading begins on April 2. Although the £172m-£193m valuation to be placed on Newcastle will make it the biggest football flotation so far, the club will still only be the third largest on the mar-

ket behind Manchester United and Chelsea.

Some £21m of the proceeds will be used to reduce borrowings to about £15m, while the rest will go towards instalments on transfer fees for current players and training and youth football facilities.

Yet, Newcastle faces the prospect of raising another £90m to build a new stadium and convert its current home, St James's Park, into an indoor arena. The club, which has pledged not to raise the money from the stock market, believes it can fund the project with debt financing.

The club, which made an operating profit of £7.6m on

turnover of £24.5m in the six months to January 31, was confident there would be considerable growth in income from the sale of television rights in the next few years, particularly when new pay-per-view and subscription channels are introduced. Yet Mr Freddie Fletcher, joint chief executive, warned that pay-per-view coverage of Premier League football could still be two years away.

Newcastle's north east rival Sunderland announced yesterday that its promotion to the Premiership last year meant it was able to turn last year's interim loss of £1.6m into a profit of £1m on turnover of £5.2m.

Wiseman gives promises on Pride

By Maggie Urry

Mr Ian Lang, trade and industry secretary, has accepted undertakings from Robert Wiseman, the Scottish dairy group, which increase the chances of its buying Scottish Pride's dairy business from the receiver.

Wiseman shares rose 4p to 191p yesterday.

Scottish Pride put its trading activities into receivership last week after talks on selling them were delayed,

and it lost vital business on the fresh milk side, largely to Wiseman.

Yesterday, Mr Blair Nimmo of KPMG Corporate Recovery, the receiver, announced 158 redundancies from the 763 workforce reflecting the loss of fresh milk volume. The Somerset supermarket chain has followed Safeway and Kwik Save in switching business from Scottish Pride to Wiseman.

Wiseman had been in talks

with Scottish Pride over its fresh milk activities for several months. A deal would have given Wiseman 80 per cent of the Scottish milk market. Discussions faltered when a Monopolies and Mergers Commission report recommended that Wiseman be required to publish prices its large commercial customers paid for milk. Wiseman refused to do so, saying the information was a competitive secret.

Yesterday, Mr Lang said it

would be sufficient for Wiseman to give the price information to the Director General of Fair Trading, and to undertake not to acquire any other milk supplier in Scotland without the DGFT's consent.

Mr Nimmo said that while Wiseman was best placed to buy the dairy business after months of due diligence, and had looked round the site again on Thursday evening, there were other interested parties for that business.

NEWS DIGEST

JKX cash call as losses increase

JKX, the UK oil explorer floated at 190p a share in 1995, yesterday announced increased losses and a rights issue at 34p a share.

Mr Robert McCrackin, who became chief executive last month, said the group, which is producing oil and gas in Ukraine and Georgia, had always been and still was "an emerging markets play". The political, fiscal, commercial and legislative risks had been made clear at flotation.

The group, chaired by Sir Robert Horton, is producing 10,000m barrels of oil equivalent a day in Ukraine, half in oil and half in gas. Mr McCrackin said the difficulties of the market meant that not all the gas had been sold. But he was confident that it would be, as the country was importing 83bn cu m a year and was the third largest gas market in the world.

Last year's pre-tax loss increased from £2.01m to £2.4m. Revenues soared from £2.1m to £16m, and an operating profit was made in the second half.

The 2-for-3 rights issue, underwritten by Henderson Crosthwaite, will raise about £14.2m for working capital.

David Blackwell

Sir Rocco buys hotel

Sir Rocco Forte said yesterday that he felt "terrific" after the purchase of his first hotel since Forte was taken over 13 months ago by Granada, the TV and leisure company, in a £3.9bn hostile bid.

He confirmed he had bought the Balmoral Hotel in Edinburgh from Bank of Scotland. The price is believed to be about £35m, and Sir Rocco will spend a further £6m on refurbishment and the development of shops.

Sir Rocco also confirmed that work would begin in two months at Nizhny Novgorod in Russia on the first of a chain of 20 mid-market hotels which his company will manage.

Scheherazade Daneshkhu

Barclays in further buy-back

Barclays announced yesterday it had bought back another £17m of its own shares for cancellation, topping up its £105m buy-back on Wednesday. The additional 1.5m shares were bought at £11.33p compared with the price of £11.37p Barclays paid for 9.2m shares on Wednesday. They still leave the UK bank a long way short of the target of 26m shares it initially announced.

Some analysts believe Barclays, which is committed to returning surplus capital to shareholders, will move to the US model of share buy-back, in which a general target is announced and small purchases made as the opportunity arises, instead of the grand one-day operations which have been the norm in the UK.

George Graham

Williams seeks shorter name

Williams Holdings plans to drop the "Holdings" if its agreed £1.3bn bid for Chubb Security succeeds, capping an evolution from acquisitive conglomerate to focused security, fire protection and building products group.

Details of the plan were revealed in the company's offer document for Chubb, posted to shareholders yesterday. Shares in Williams have recovered from their sharp fall after the deal was announced on February 14. From a low of 294p, against 330p before the offer, they have risen to close yesterday at 319p.

Shares in Chubb closed 2p down at 425p, against Williams' cash and share terms of 447p.

Ross Tiesman

Richards hit by strong pound

Shares in textiles group Richards fell 6p to 38p yesterday after Mr Brian Gilbert, chairman, said the strength of sterling had led to Belgian carpet makers increasing their exports to the UK.

Richards had seen its margins eroded and as a result of falling demand from UK customers in the past three weeks, both the company's spinning plants in Northern Ireland had been put on short-time working.

CAT plans £35m float

Cambridge Antibody Technology yesterday confirmed it was planning to raise £35m from a flotation later this year when it published its pathfinder prospectus.

CAT is unusual for biotechnology companies planning to float, in that it does not have any potential drugs in clinical trials. It said it expected to start trials for treatments of inflammation and fibrosis later this year.

The value of the company is in its patented technology for rapidly producing human monoclonal antibodies which can be used to help develop therapeutic products.

Roger Taylor

Eidos strongly into black

Shares in Eidos rose 75p to an all-time high of £10.45 yesterday, after the software games group moved into the black for the first time in its seven-year history as a public company. The results for the nine months to the end of December showed pre-tax profits of £3.07m, against losses of £1.36m. In the last three months, Eidos made pre-tax profits of £7.78m, against losses of £992,000.

Earnings per share for the nine months were 21p against losses of 33p. Turnover for the nine months rose from £1.2m to £52.6m, with some £32m being reported in the latest quarter. Among the group's most popular products were the computer games Tomb Raider and Championship Manager 2, both of which topped popularity charts in Europe and the US.

Christopher Price

Wellington takes provision

Wellington Underwriting, the insurance group which earlier this month tabled a £32.6m agreed offer for the Lloyd's corporate investor Premium Underwriting, is to take a £6.2m provision to cover underwriting losses in the UK motor insurance market.

Just days after the board of Premium recommended the bid to its shareholders, a review of Lloyd's insurance syndicates managed by Wellington revealed a substantial deterioration in the profitability last year of a syndicate which writes personal and commercial motor insurance. The final dividend of 1996 would be maintained.

Premium Underwriting yesterday said it still backed Wellington's bid despite the loss.

Christopher Adams

Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									
Percent of stock held by the following persons or entities									

COMPANIES AND FINANCE

Dickson Concepts bids for Barney's

By John Riddling in Hong Kong

Dickson Concepts, the Hong Kong retailer which owns Harvey Nichols of the UK, yesterday unveiled a bid to expand on the other side of the Atlantic with a HK\$1.38bn (US\$940m) offer for Barney's, the up-market New York retailer which is under bankruptcy law protection.

Mr Dickson Poon, chairman, said Barney's provided "a unique opportunity to establish a meaningful business presence in the US". But he cautioned that the offer marked

only a preliminary stage, that rival bids might be forthcoming and that completion of any deal could take between four and eight months. Several other retailing groups, including Saks Holdings, have expressed interest in Barney's, which has flagship stores in New York, Los Angeles and Chicago. Dickson Concepts is the first offer to be made public.

"This might be a sighting shot to force others to show their hands," said one Hong Kong retail analyst. "It doesn't seem a generous offer on price, but the structure might

be attractive to Barney's owners and partners."

Dickson is offering the owners of Barney's a minority stake in future non-US licensing income. Mr Poon declined to comment on details of the stake, but said it would "enable the vendors to ride the upside" of the acquisition.

With a war chest bolstered by last year's flotation of Harvey Nichols, Mr Poon said there would be no problem financing the deal. "We are confident that if the deal materialises we will remain in a very strong financial position to

take advantage of any other opportunities that might arise."

The Dickson chief said his company had cash of HK\$1.3bn and was examining investment opportunities apart from Barney's.

He added that a possible restructuring of the group, which analysts suggested meant further spin-offs, could bolster the balance sheet.

Mr Poon provided few details of Barney's financial position, except to say that sales for the 53 weeks ending in August totalled US\$966m. The figures did not include proceeds from its interna-

tional partnership with Isetan, the Japanese retailer which has been locked in a dispute with Barney's.

The Hong Kong retailing baron was optimistic on his own company's prospects. All subsidiaries were operating profitably and that the group expected double digit earnings growth for the full year. Dickson's has a retail network of more than 270 outlets, which Mr Poon expected to exceed 300 by the end of this year.

Fall of a fashion empire. How To Spend It magazine

INTERNATIONAL NEWS DIGEST

Cigna pays \$1.7bn for Healthsource

Healthsource, the US health maintenance organisation, yesterday succumbed to growing competitive pressures in the managed care sector when it agreed to be bought by Cigna, the big insurer, for \$1.7bn. The Cigna cash offer of \$21.75 a share represents a 38 per cent premium on Thursday's closing price. The purchase price includes about \$250m for Healthsource's long-term debt.

Mr Wilson Taylor, Cigna chief executive officer, said the acquisition should enhance 1998 earnings, if the company achieves projected pre-tax cost savings of more than \$75m and revenue and earnings growth from the merger.

Healthsource shares were up 4% at \$21.10 around midday yesterday, while Cigna's share price rose 1% to \$154. Healthsource yesterday reported a net loss of 35 cents per share in the fourth quarter, including an after-tax charge of 40 cents a share related to provider arrangements and restructuring. Tracy Corrigan, New York

PAL seeks 'back door' listing

Philippine Airlines, the loss-making flag-carrier, said yesterday it was considering a "back door" listing on the Manila stock exchange. "We'll possibly do it by acquiring a listed company that has been inactive for years," said a senior official. PAL, which lost more than 2bn pesos (\$76m) last year and is forecasting further losses of 2bn pesos for 1997, said it would use proceeds from an offering for its \$4bn fleet building programme.

It could face difficulties qualifying for a float because companies wishing to list must show three years of profits. PAL last made a profit in 1992, the year after it was privatised.

Justin Marozzi, Manila

Wendel resigns from ISS

International Service System, the Denmark-based international contract cleaning group, suffered a fresh blow yesterday when Mr Jørgen Wendel Andersen, chief financial officer, announced his resignation, citing "disagreements on important strategic issues" with other management board members. Mr Wendel Andersen joined ISS in November 1995, shortly after Mr Waldemar Schmidt became chief executive, succeeding group founder Mr Poul Andersen. ISS reported a first-half loss last year of DKK2bn (\$310m), after uncovering accounting irregularities at ISS Inc, the New York subsidiary. It subsequently sold ISS Inc to a company owned by the Anglo-American businessman Mr Michael Ashcroft. Hitting substantial debt off the ISS books.

Hilary Barnes, Copenhagen

G&B to head Opel

Adam Opel, the German subsidiary of General Motors of the US, yesterday said Mr Hans Wilhelm G&B would replace the head of its supervisory board, Mr Ferdinand Schwenger, when he retires on June 30. Mr G&B, vice-president of public affairs for General Motors' international operations in Zurich, would also take over as vice-president of General Motors Europe. Mr G&B, 60, has been a member of Opel's supervisory board since 1989.

Sarah Althaus, Frankfurt

Esprit Telecom prices ADR

Esprit Telecom, a European-based telecommunications operator, yesterday priced its initial public offering on Nasdaq and Easdaq at \$12 an American Depositary Share. The price values the company at about \$218m. Some \$50m is being raised to expand further the company's network in the US and mainland Europe. The IPO is set to close on March 4.

Alan Cane

Enersis grows outside Chile

Enersis, the Chilean utility group, which has been diversifying out of Chile and into Argentina and Peru, said net profits from overseas operations were \$77.2m, or 31 per cent of overall net profits, compared with only 14 per cent in 1996. Overall profits were \$248.4m, 2 per cent above 1996's - in line with expectations, according to Mr Colin Curvey, utilities analyst at Celfin, the Chilean affiliate of Salomon Brothers, the US investment bank.

Consolidated operating revenues were \$2.7bn, up from \$1.9bn in 1996, and pre-tax profits were \$1bn, up from \$460m. Earnings per share were 15.58 Chilean pesos, down 2 per cent from last year's 15.96. Imogen Mark, Santiago

Strong growth at Telefónica

By Tom Burns in Madrid

Telefónica, the Spanish telecoms operator which was fully privatised last month, will pay a gross 1996 dividend of Ptas99 a share, 17 per cent up on last year, after raising its net attributable income 20.3 per cent to Ptas60.2bn (\$1.12bn).

The consolidated results showed strong revenue growth in all the group's main business units, cost containment and lower financial charges. The shares closed at Ptas3300, down Ptas10.

The group's consolidated investment, which was primarily centred on Latin America and on the domestic mobile business, grew 30.6 per cent to total Ptas897.13bn.

Revenues from basic telephony, which accounts for 60 per cent of Telefónica's total earnings, rose 16 per cent to Ptas1.407bn.

The revenue growth was fuelled by a 3.3 per cent average growth of lines in service, increased interna-

tional traffic and a very strong growth in calls from mobiles to fixed-line phones.

The results of the group's mobile telephony unit, which since last year competes with a second operator, Airtel, indicated that Telefónica dominated the fast-growing cellular market.

Revenues from the mobile unit were up 128.6 per cent to Ptas259.99bn, and cellular clients increased 153 per cent to 3.2m, giving Telefónica a mobile market share of nearly 80 per cent.

Revenues from Tisa, the group's international unit, which is the main foreign operator in Latin America, grew by 19 per cent to Ptas353.77bn, contributing 15.2 per cent of total group revenues. Tisa's lines in service increased 21.3 per cent to more than 10m and its cellular clients swelled 120.5 per cent to nearly 1m.

The operating profit, which rose 13 per cent to Ptas575.96bn, reflected lower financial expenses and an increase of only 2 per cent in staff costs.

Thai finance group seeks merger rescue

By Ted Bardecke in Bangkok

Finance One, Thailand's largest finance company, is in talks with Thai Danu Bank, the country's 12th largest commercial bank, about a merger amounting to a bail-out of the cash-strapped finance company.

With combined assets of about \$8bn, the new company would be the seventh largest commercial bank in Thailand. The move may herald a wave of consolidations in Thailand's struggling financial sector.

Finance One was consulting Banque Paribas of France, which holds 6.9 per cent of its shares, on the plan.

By becoming an affiliate of the smaller Thai Danu, Finance One will have access to emergency Bank of Thailand liquidity injections.

As its shares fell 6.8 per cent yesterday, Finance One sought to dispel rumours of an impending collapse. It denied it was facing a run on deposits or a liquidity crisis.

Analysts point to several problems at the company. About 47 per cent of Finance One's loans are in two problem areas - property and hire purchase. And non-performing loans nearly doubled last year to 4.8 per cent.

ING Barings, the merchant bank, said the company's assets and liabilities were the most mismatched of the top 10 finance companies.

Butchery looms in burger war

McDonald's meets pressure with price cuts, says Richard Tomkins

The US burger war has long been a heated affair, but it was stilling even more this week as McDonald's, the world's biggest fast food company, threatened to slash the prices of its Big Mac burger and other products.

McDonald's proposed the move as part of a strategy to stem a loss of market share to other fast food companies - notably Burger King, which has been scoring victories against the seemingly invincible McDonald's with its flame-broiled Whopper sandwich.

Even so, the manoeuvre was hanging in the balance yesterday, because McDonald's has yet to win approval for the strategy from its franchisees and affiliates, who run 85 per cent of the 12,094 McDonald's US restaurants.

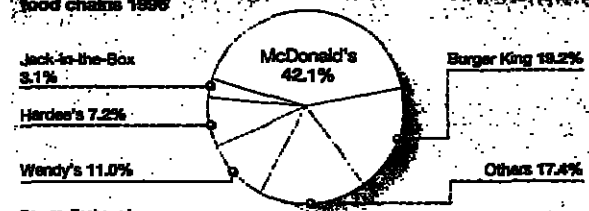
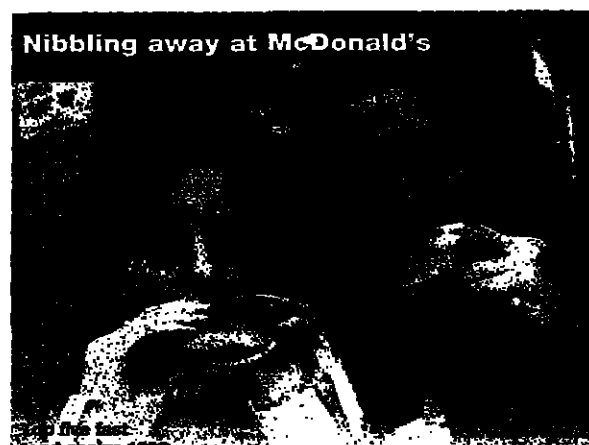
According to leaks from the franchisees, McDonald's is proposing to slash the price of its Big Mac from about \$1.90 - the price depends on the location - to 55 cents, providing the item is bought with a serving of fries and a drink.

The price cut, applying only to the US market, would not be permanent, but it would rotate from one product to another as part of a long-term promotional programme aimed at reinvigorating the restaurants' flagging sales.

The price cut, although seemingly huge, is not quite as large as it appears. At present, McDonald's offers big discounts to customers who buy "value meals" comprising a sandwich, fries and a drink. Under the new offer, the burger would come at a discount, but the higher-margin fries and the drink would be charged at full price.

Mr Howard Penney, an analyst at Morgan Stanley, calculates that the offer would represent a cut of about 5-7 per cent on the price of the existing value meals.

In some markets, such as New York City, where overheads are high and profit



Source: Company reports and Euromonitor

margins are already thin, there would probably be no price cuts at all. Yet there is no disguising the note of desperation in the strategy. Industry observers worry that the company is losing its grip on the US market: the company's shares, which were close to a record high of \$47 on Tuesday night, were down to \$43 in early trading yesterday.

The move is all the more surprising because it contradicts the company's earlier attempts to increase profit margins in the US. Last year, as part of this strategy, the company launched a new "Deluxe" range of higher-priced beef, fish and chicken

sandwiches, headed by the flagship Arch Deluxe burger, a sandwich with a "grown-up" spicy taste.

McDonald's maintains the Deluxe range has been a success, but statistics appear to argue otherwise. Last year, according to the Chicago-based Technomic market research company, McDonald's saw its share of the US fast food market slip from 42.3 per cent to 42.1 per cent.

That might look less than catastrophic: but it is in sharp contrast to the success of Burger King, a unit of Britain's Grand Metropolitan group, which last year

Sage buys domination of its German market

By Alan Cane

Shares in Sage rose 31p to 617p yesterday after the software group announced an acquisition that gives it immediate leadership in the German PC accounting software market.

It is buying KHK Software, a private company that develops and markets accounting products similar to those of Sage, for DM110m (\$40.1m) cash.

KHK, 14 years old and based in Frankfurt, is estimated to have half the German market for PC accounting software. It has 296 staff and last year made DM5.9m pre-tax on DM75.5m sales.

Mr Paul Walker, Sage chief executive, said the price of its first German

acquisition, at about 1.5 times turnover, was fair. The existing management team and founders Mr Karl-Heinz Kildner, chief executive, and Mr Klaus Wacker, chief financial officer, would remain.

He intended to improve KHK's gross margins from 15 per cent to the 30 per cent Sage obtains in the UK.

The KHK purchase underlines the UK company's claim to be the world's leading PC accounting software supplier. It is market leader in both the UK and France and has a growing presence in the US.

It has been seeking acquisitions in the UK and Europe after an attempt to buy Pegasus, a smaller UK rival, was called off last year.

Its business model, where software product sales are complemented by upgrades and office products marketing, has proved effective in the UK and in France, where profit margins at its subsidiaries Ciel and Saari are improving rapidly.

COMMENT

Sage typically pays sensible prices for acquisitions with good products and market share but less rigorous financial controls than it operates in the UK. A touch, sometimes more, on the tiller improves margins and pre-tax profits. KHK fits the pattern well. Sage's acquisition strategy has been well trailed, however, and the shares seem fairly priced.

Whessoe advises acceptance

Whessoe, the controls and instruments manufacturer, has advised shareholders to accept the \$53.6m takeover offer from a Swiss-Norwegian industrial consortium.

The company said it was withdrawing its recommendation from a \$46m bid by Siebe, the UK engineering group, in favour of a counter-offer from Navis, the Norwegian manufacturer of navigation and communications systems, and Endress & Hauser, the privately owned Swiss controls group.

Siebe said this week that it would not lift its 165p-a-share bid to trump the 175p-a-share offer from Navis and Endress & Hauser. The shares steadied at 175p yesterday after a high of 186p earlier in the week.

Corporate Services shares slide

By Scheherazade Daneshkhu

Shares in Corporate Services, the contract labour specialist, lost 18 pence yesterday, falling 41p to 189p after the group announced a change in accounting policy and full-year results short of expectations.

Although pre-tax profits more than doubled from \$8.6m to \$19.1m in 1996 - helped by the \$53.7m acquisition of 100 Blue Arrow employment agencies in April - the result fell 5 per cent short of analysts' forecasts of \$20m, because of the higher than expected costs

of servicing the new business.

The company also changed its accounting treatment of training to bring it in line with standard practice. A footnote to the accounts said the effect was "to increase profit before tax from training by \$5.1m." Analysts said that income had been matched by costs and that the market had misread a technical change as a disguised inflation of its profits.

Total operating profits rose from \$9.5m to \$21.4m on turnover more than doubled to \$277m.

Mr Jeffrey Fowler, executive chairman, said the integration of Blue Arrow and of

the \$12m acquisition of GWL, a supplier of doctors on short-term contracts, in October was going well.

He said the company would continue to secure supplies of suitably qualified people through joint ventures or acquisitions.

Earnings per share rose to 11.5p (10.1p) despite a rights issue to fund the Blue Arrow acquisition.

COMMENT The demand for contract labour is growing annually by more than 20 per cent and Corporate Services has ridden on the back of that rise. Until yesterday's fall, the shares had outperformed the

support services sector by more than 40 per cent and the FTSE All-Share by almost 80 per cent in the past 12 months. Demand for a more flexible labour force is likely to continue to increase; the company is better positioned to benefit from that demand after acquiring Blue Arrow, which has given it a large database of potential clients and employees. Analysts with top-of-the-range price forecasts for 1997 of \$30m above these back to \$30m. With earnings per share of 15p expected, the shares are at a forward p/e of almost 12.5 times, which looks good value.

Avis Europe could have £734m tag

By Charles Batchelor, Transport Correspondent

Avis Europe, the largest European car hire company, expects to return to the stock market in early April at a valuation of between \$620m and \$734m, according to the pathfinder prospectus published yesterday.

The company, which plans to sell 215m shares, or 36.9 per cent of its equity, announced an indicative share offer price of between 108p and 126p.

Profits before interest, exceptional items and tax for the 11 months to January 31 rose to \$96.2m against \$84.3m for the 12 months to February 1996.

They are expected to reach \$101.3m for the full year to February 1997, an increase of 20 per cent. Revenues are expected to rise 7 per cent to \$511m.

Mr Alan Cathcart, chairman and chief executive,



Alan Cathcart

Alum Cathcart: hopes to raise \$237m in return to market

said business had been particularly good in Germany, Spain, Italy and Portugal.

Earnings per share on the basis of this forecast will be 8.8p for the year while the national net dividend per share would be 8.6p.

Avis's flotation, its second in just over a decade, will

the indicative price range. Avis expects to raise a net \$237m, of which \$152.6m will be retained by the company.

D'leteren, the Belgian car importer which holds 77.1 per cent of Avis's shares, does not plan to dispose of any but will make up to 30m available to meet excess demand. This will reduce its stake to between 56.9 and 62 per cent.

Individual UK investors who acquire at least £1,000 of shares and hold them until June 24 will qualify for vouchers which will provide free extensions of rental periods.

The prospectus with the final offer price will be published on March 26 with dealings due to start on April 4.

Merrill Lynch is sponsor and joint global co-ordinator with NatWest Markets. Lazard is financial adviser.

RESULTS

	Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current dividend (p)	Date of payment	Dividends corresponding dividend	Total for year	Total last year
Bathurst	48.8 (50.9)	1.85A (4.04A)	4.32 (12.7)	2.5	May 17	2.5	4	4.5
Brakes (T & J)	8.25 (8.74)	0.025 (0.571)	28.87 (24.86)	7.5	Apr 28	6.9	10.4	9.8
Consolidated Tech	6.58 (6.82)	1.3 (0.556)	2.57 (0.98)	0.1	March 21	-	-	-
Corporate Servs	277 (274)	11.1 (8.7)	11.51 (10.1)	3	May 30	2.5	5	3.5
Eidos	52.6 (1.2)	3.07 (1.36)	2.11 (2.3)	0.4	-	-	-	-
Environ	2.24 (0.547)	0.103 (0.035)	1.42 (1.1)	0.1	-	-	-	-
Go-Ahead	120 (87.5)	7.59 (6.69)	14.11 (12.69)	2.15	Apr 24	1.85	-	5.55
Healey	323 (462)	33.3 (25.3)	42.3 (34.1)	10	Apr 10	8	15	12
J&J Oil and Gas	15 (2.1)	2.41 (0.01)	3.54 (0.01)	-	-	-	-	-
Manitex	3.19 (3.72)	0.704A (1.23A)	0.08 (0.12)	-	-	-	-	-
Master Tech	0.5 (-)	2.01 (1.13)	0.04 (1.12)	-	-	-	-	-
Paramount	3.77 (3.7)	0.108 (0.414)	1.1 (2.6)	0.047	-	0.047	-	0.047
Primary Health	0.188 (-)	0.29 (-)	1.36 (-)	1.2	Apr 2	-	-	-
Southwood	2.9 (0.78)	0.16A (0.06A)	1.83 (1.06)	-	-	0.5	-	0.6
SECT	4 (0.17)	0.105 (0.132)	1.3 (1.4)	-	-	-	-	-
Southern Vectis	12.7 (12.9)	0.89 (0.88)	2.9 (2.5)	-	-	-	-	-
Spartan Consulting	7.85 (7.38)	1.2 (0.8)	6.17 (4.43)	2.5	May 1	2.25	-	1.9
Sunderland	5.2 (2.5)	1.08 (1.54)	16.2 (28.4)	-	-	-	-	-
Tegnel Life	0.13 (0.14)	0.05A (0.05A)	1.2 (1.7)	-	-	-	-	-
United Industries	50 (50.5)	0.445A (3.35)	1.68 (8.79A)	1.65	July 4	1.5A	2.4	2.25A

Investment Trusts

	NAV (£)	Attributable earnings (£m)	EPS (p)	Current dividend (p)	Date of payment	Corresponding dividend	Total for year	Total last year
Fidelity Japanese	53.12 (79.54)	1.04A (0.5)	0.98A (0.47L)	0.1	-	0.1	-	0.1
Fleming Enterprises	280.3 (286.7)	1.42 (1.52)	3.54 (4.8)	1.55	Apr 4	1.55	-	0.4

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. A After exceptional change. B After exceptional credit. C On increased capital. D On reduced capital. E After stock. F Adjusted for share consolidation. G Comparative restated. H For period from incorporation to October 31 1995.

COMMODITIES AND AGRICULTURE

MARKETS REPORT

Export fears lift Platinum

By Suzanne Voyle

Platinum prices rose to more than \$400 a troy ounce yesterday for the first time since May last year on continued worries about the lack of Russian exports. However, profit taking quickly took the heat out of the market and at the afternoon "fix" the metal stood at \$388.50, 68 up on the day.

Platinum's sister metal palladium eased \$2.50 a troy ounce yesterday afternoon to \$152.50, after it fixed at \$157.00 on Thursday, its highest since July 1995. The prices of platinum and palladium have risen through the week along with the price of nickel - the two precious metals are by-products from nickel mining - with worries about a strike in Russia highlighting serious supply shortages.

Angry workers at Norilsk Nickel in Siberia are threatening to stop work on March 15th because they have not been paid since October. Norilsk is one of Russia's most valuable companies and in 1995 accounted for 20 per cent of the world's nickel production and 40 per cent of platinum output.

Russia accounts for 65 per cent of world production of palladium, used mainly in automotive, anti-pollution catalysts, mobile telephones, personal computers and wide-screen televisions.

The situation has been compounded by the fact that Russia has failed to agree its annual deal to supply platinum and palladium to Japan - by far the largest national market for the metals.

Mr Andy Smith, precious metals analyst with UBS yesterday said that the price surge would probably not continue - and be worried

that the market had become over-priced. "The risk is that the Russian strike threat has been exaggerated," he said. "Labour force crises come and go in Siberia as often as the snow."

He said strong fund buying had pushed the price up so high that the Japanese were near the level at which they would start substituting for platinum and palladium. "Experience suggests that all these moves in the small precious metals markets - platinum, palladium and silver - are short-lived affairs," he added.

Nickel prices on the London Metal Exchange managed to consolidate above \$5,000 after recent rises sparked by Norilsk strike fears. However, the metal closed down \$37.50 on the day at \$5,077.50 a tonne. The main winner on the LME was lead, when a rally drove prices above \$700 a tonne at one point. The metal closed yesterday at \$696, a tonne, a gain of \$23 from Thursday's finish.

Options related buying and funds covering their "short" positions - speculative bets that the market would fall - were responsible for the metal's surge, which hit a high of \$705 a tonne in the afternoon.

Zinc and tin fared less well than the other base metals. Zinc closed nearly \$100 down on the day at \$5,790 a tonne compared to \$5,890 on Thursday. Zinc held steady through most of the day before closing at \$1,218 a tonne, down \$9.00.

Oil prices were lower yesterday - but Brent Blend for April delivery kept above the psychologically important \$19.00 a barrel level. Yesterday evening the contract was at \$19.18 a barrel, down 17 cents on the day.

WEEKLY PRICE CHANGES

	Latest price	Change on week	Year	1996/97
			High	Low
Gold per troy oz.	\$358.00	+5.30	\$398.30	\$410.40
Silver per troy oz.	\$373.00	-0.25	\$380.00	\$383.00
Aluminium 99.7% (cash)	\$1,820.00	+25.5	\$1,894.00	\$1,878.00
Copper Grade A (cash)	\$3,025.00	-5.00	\$3,075.00	\$3,083.00
Lead (cash)	\$720.00	+0.50	\$718.00	\$727.00
Nickel (cash)	\$1,025.00	+12.5	\$1,030.00	\$1,035.00
Zinc 50% (cash)	\$1,200.00	+11.5	\$1,204.00	\$1,208.00
Tin (cash)	\$3,765.00	-30.00	\$3,815.00	\$3,850.00
Cocoa Futures Mar	\$1,185.00	+8.00	\$1,193.00	\$1,197.00
Coffee Futures Mar	\$1,155.00	+8.00	\$1,163.00	\$1,167.00
Sugar 1111 Futures	\$2,070.00	-30.00	\$2,120.00	\$2,136.00
Wheat Futures Mar	\$1,910.00	-0.30	\$1,916.00	\$1,920.00
Wheat Futures Apr	\$1,935.00	+1.75	\$1,940.00	\$1,944.00
Wheat Futures May	\$1,950.00	+1.00	\$1,955.00	\$1,959.00
Wheat Futures Jun	\$1,965.00	+1.00	\$1,970.00	\$1,974.00
Wheat Futures Jul	\$1,980.00	+1.00	\$1,985.00	\$1,989.00
Wheat Futures Aug	\$1,995.00	+1.00	\$2,000.00	\$2,004.00
Wheat Futures Sep	\$2,010.00	+1.00	\$2,015.00	\$2,019.00
Wheat Futures Oct	\$2,025.00	+1.00	\$2,030.00	\$2,034.00
Wheat Futures Nov	\$2,040.00	+1.00	\$2,045.00	\$2,049.00
Wheat Futures Dec	\$2,055.00	+1.00	\$2,060.00	\$2,064.00
Wheat Futures Jan	\$2,070.00	+1.00	\$2,075.00	\$2,079.00
Wheat Futures Feb	\$2,085.00	+1.00	\$2,090.00	\$2,094.00
Wheat Futures Mar	\$2,100.00	+1.00	\$2,105.00	\$2,109.00
Wheat Futures Apr	\$2,115.00	+1.00	\$2,120.00	\$2,124.00
Wheat Futures May	\$2,130.00	+1.00	\$2,135.00	\$2,139.00
Wheat Futures Jun	\$2,145.00	+1.00	\$2,150.00	\$2,154.00
Wheat Futures Jul	\$2,160.00	+1.00	\$2,165.00	\$2,169.00
Wheat Futures Aug	\$2,175.00	+1.00	\$2,180.00	\$2,184.00
Wheat Futures Sep	\$2,190.00	+1.00	\$2,195.00	\$2,199.00
Wheat Futures Oct	\$2,205.00	+1.00	\$2,210.00	\$2,214.00
Wheat Futures Nov	\$2,220.00	+1.00	\$2,225.00	\$2,229.00
Wheat Futures Dec	\$2,235.00	+1.00	\$2,240.00	\$2,244.00
Wheat Futures Jan	\$2,250.00	+1.00	\$2,255.00	\$2,259.00
Wheat Futures Feb	\$2,265.00	+1.00	\$2,270.00	\$2,274.00
Wheat Futures Mar	\$2,280.00	+1.00	\$2,285.00	\$2,289.00
Wheat Futures Apr	\$2,295.00	+1.00	\$2,300.00	\$2,304.00
Wheat Futures May	\$2,310.00	+1.00	\$2,315.00	\$2,319.00
Wheat Futures Jun	\$2,325.00	+1.00	\$2,330.00	\$2,334.00
Wheat Futures Jul	\$2,340.00	+1.00	\$2,345.00	\$2,349.00
Wheat Futures Aug	\$2,355.00	+1.00	\$2,360.00	\$2,364.00
Wheat Futures Sep	\$2,370.00	+1.00	\$2,375.00	\$2,379.00
Wheat Futures Oct	\$2,385.00	+1.00	\$2,390.00	\$2,394.00
Wheat Futures Nov	\$2,400.00	+1.00	\$2,405.00	\$2,409.00
Wheat Futures Dec	\$2,415.00	+1.00	\$2,420.00	\$2,424.00
Wheat Futures Jan	\$2,430.00	+1.00	\$2,435.00	\$2,439.00
Wheat Futures Feb	\$2,445.00	+1.00	\$2,450.00	\$2,454.00
Wheat Futures Mar	\$2,460.00	+1.00	\$2,465.00	\$2,469.00
Wheat Futures Apr	\$2,475.00	+1.00	\$2,480.00	\$2,484.00
Wheat Futures May	\$2,490.00	+1.00	\$2,495.00	\$2,499.00
Wheat Futures Jun	\$2,505.00	+1.00	\$2,510.00	\$2,514.00
Wheat Futures Jul	\$2,520.00	+1.00	\$2,525.00	\$2,529.00
Wheat Futures Aug	\$2,535.00	+1.00	\$2,540.00	\$2,544.00
Wheat Futures Sep	\$2,550.00	+1.00	\$2,555.00	\$2,559.00
Wheat Futures Oct	\$2,565.00	+1.00	\$2,570.00	\$2,574.00
Wheat Futures Nov	\$2,580.00	+1.00	\$2,585.00	\$2,589.00
Wheat Futures Dec	\$2,595.00	+1.00	\$2,600.00	\$2,604.00
Wheat Futures Jan	\$2,610.00	+1.00	\$2,615.00	\$2,619.00
Wheat Futures Feb	\$2,625.00	+1.00	\$2,630.00	\$2,634.00
Wheat Futures Mar	\$2,640.00	+1.00	\$2,645.00	\$2,649.00
Wheat Futures Apr	\$2,655.00	+1.00	\$2,660.00	\$2,664.00
Wheat Futures May	\$2,670.00	+1.00	\$2,675.00	\$2,679.00
Wheat Futures Jun	\$2,685.00	+1.00	\$2,690.00	\$2,694.00
Wheat Futures Jul	\$2,700.00	+1.00	\$2,705.00	\$2,709.00
Wheat Futures Aug	\$2,715.00	+1.00	\$2,720.00	\$2,724.00
Wheat Futures Sep	\$2,730.00	+1.00	\$2,735.00	\$2,739.00
Wheat Futures Oct	\$2,745.00	+1.00	\$2,750.00	\$2,754.00
Wheat Futures Nov	\$2,760.00	+1.00	\$2,765.00	\$2,769.00
Wheat Futures Dec	\$2,775.00	+1.00	\$2,780.00	\$2,784.00
Wheat Futures Jan	\$2,790.00	+1.00	\$2,795.00	\$2,799.00
Wheat Futures Feb	\$2,805.00	+1.00	\$2,810.00	\$2,814.00
Wheat Futures Mar	\$2,820.00	+1.00	\$2,825.00	\$2,829.00
Wheat Futures Apr	\$2,835.00	+1.00	\$2,840.00	\$2,844.00
Wheat Futures May	\$2,850.00	+1.00	\$2,855.00	\$2,859.00
Wheat Futures Jun	\$2,865.00	+1.00	\$2,870.00	\$2,874.00
Wheat Futures Jul	\$2,880.00	+1.00	\$2,885.00	\$2,889.00
Wheat Futures Aug	\$2,895.00	+1.00	\$2,900.00	\$2,904.00
Wheat Futures Sep	\$2,910.00	+1.00	\$2,915.00	\$2,919.00
Wheat Futures Oct	\$2,925.00	+1.00	\$2,930.00	\$2,934.00
Wheat Futures Nov	\$2,940.00	+1.00	\$2,945.00	\$2,949.00
Wheat Futures Dec	\$2,955.00	+1.00	\$2,960.00	\$2,964.00
Wheat Futures Jan	\$2,970.00	+1.00	\$2,975.00	\$2,979.00
Wheat Futures Feb	\$2,985.00	+1.00	\$2,990.00	\$2,994.00
Wheat Futures Mar	\$3,000.00	+1.00	\$3,005.00	\$3,009.00
Wheat Futures Apr	\$3,015.00	+1.00	\$3,020.00	\$3,024.00
Wheat Futures May	\$3,030.00	+1.00	\$3,035.00	\$3,039.00
Wheat Futures Jun	\$3,045.00	+1.00	\$3,050.00	\$3,054.00
Wheat Futures Jul	\$3,060.00	+1.00	\$3,065.00	\$3,069.00
Wheat Futures Aug	\$3,075.00	+1.00	\$3,080.00	\$3,084.00
Wheat Futures Sep	\$3,090.00	+1.00	\$3,095.00	\$3,099.00
Wheat Futures Oct	\$3,105.00	+1.00	\$3,110.00	\$3,114.00
Wheat Futures Nov	\$3,120.00	+1.00	\$3,125.00	\$3,129.00
Wheat Futures Dec	\$3,135.00	+1.00	\$3,140.00	\$3,144.00
Wheat Futures Jan	\$3,150.00	+1.00	\$3,155.00	\$3,159.00
Wheat Futures Feb	\$3,165.00	+1.00	\$3,170.00	\$3,174.00
Wheat Futures Mar	\$3,180.00	+1.00	\$3,185.00	\$3,189.00
Wheat Futures Apr	\$3,195.00	+1.00	\$3,200.00	\$3,204.00
Wheat Futures May	\$3,210.00	+1.00	\$3,215.00	\$3,219.00
Wheat Futures Jun	\$3,225.00	+1.00	\$3,230.00	\$3,234.00
Wheat Futures Jul	\$3,240.00	+1.00	\$3,245.00	\$3,249.00
Wheat Futures Aug	\$3,255.00	+1.00	\$3,260.00	\$3,264.00
Wheat Futures Sep	\$3,270.00	+1.00	\$3,275.00	\$3,279.00
Wheat Futures Oct	\$3,285.00	+1.00	\$3,290.00	\$3,294.00
Wheat Futures Nov	\$3,300.00	+1.00	\$3,305.00	\$3,309.00
Wheat Futures Dec	\$3,315.00	+1.00	\$3,320.00	\$3,324.00
Wheat Futures Jan	\$3,330.00	+1.00	\$3,335.00	\$3,339.00
Wheat Futures Feb	\$3,345.00	+1.00	\$3,350.00	\$3,354.00
Wheat Futures Mar	\$3,360.00	+1.00	\$3,365.00	\$3,369.00
Wheat Futures Apr	\$3,375.00	+1.00	\$3,380.00	\$3,384.00
Wheat Futures May	\$3,390.00	+1.00	\$3,395.00	\$3,399.00
Wheat Futures Jun	\$3,405.00	+1.00	\$3,410.00	\$3,414.00
Wheat Futures Jul	\$3,420.00	+1.00	\$3,425.00	\$3,429.00
Wheat Futures Aug	\$3,435.00	+1.00	\$3,440.00	\$3,444.00
Wheat Futures Sep	\$3,450.00	+1.00	\$3,455.00	\$3,459.00
Wheat Futures Oct	\$3,465.00	+1.00	\$3,470.00	\$3,474.00
Wheat Futures Nov	\$3,480.00	+1.00	\$3,485.00	\$3,489.00
Wheat Futures Dec	\$3,495.00	+1.00	\$3,500.00	\$3,504.00
Wheat Futures Jan	\$3,510.00	+1.00	\$3,515.00	\$3,519.00
Wheat Futures Feb	\$3,525.00	+1.00	\$3,530.00	\$3,534.00
Wheat Futures Mar	\$3,540.00	+1.00	\$3,545.00	\$3,549.00
Wheat Futures Apr	\$3,555.00	+1.00	\$3,560.00	\$3,564.00
Wheat Futures May	\$3,570.00	+1.00	\$3,575.00	\$3,579.00
Wheat Futures Jun	\$3,585.00	+1.00	\$3,590.00	\$3,594.00
Wheat Futures Jul	\$3,600.00	+1.00	\$3,605.00	\$3,609.00
Wheat Futures Aug	\$3,615.00	+1.00	\$3,620.00	\$3,624.00
Wheat Futures Sep	\$3,630.00	+1.00	\$3,635.00	\$3,639.00
Wheat Futures Oct	\$3,645.00	+1.00	\$3,650.00	\$3,654.00
Wheat Futures Nov	\$3,660.00	+1.00	\$3,665.00	\$3,669.00
Wheat Futures Dec	\$3,675.00	+1.00	\$3,680.00	\$3,684.00
Wheat Futures Jan	\$3,690.00	+1.00	\$3,695.00	\$3,699.00
Wheat Futures Feb	\$3,705.00	+1.00	\$3,710.00	\$3,714.00
Wheat Futures Mar	\$3,720.00	+1.00	\$3,725.00	\$3,729.00
Wheat Futures Apr	\$3,735.00	+1.00	\$3,740.00	\$3,744.00
Wheat Futures May	\$3,750.00	+1.00	\$3,755.00	\$3,759.00
Wheat Futures Jun	\$3,765.00	+1.00	\$3,770.00	\$3,774.00
Wheat Futures Jul	\$3,780.00	+1.00	\$3,785.00	\$3,789.00
Wheat Futures Aug	\$3,795.00	+1.00	\$3,800.00	\$3,804.00
Wheat Futures Sep	\$3,810.00	+1.00	\$3,815.00	\$3,819.00
Wheat Futures Oct	\$3,825.00	+1.00	\$3,830.00	\$3,834.00
Wheat Futures Nov	\$3,840.00	+1.00	\$3,845.00	\$3,849.00
Wheat Futures Dec	\$3,855.00	+1.00	\$3,860.00	\$3,864.00
Wheat Futures Jan	\$3,870.00	+1.00	\$3,875.00	\$3,879.00
Wheat Futures Feb	\$3,885.00	+1.00	\$3,890.00	\$3,894.00
Wheat Futures Mar	\$3,900.00	+1.00	\$3,905.00	\$3,909.00
Wheat Futures Apr	\$3,915.00	+1.00	\$3,920.00	\$3,924.00
Wheat Futures May	\$3,930.00	+1.00	\$3,935.00	\$3,939.00
Wheat Futures Jun	\$3,945.00	+1.00	\$3,950.00	\$3,954.00
Wheat Futures Jul	\$3,960.00	+1.00	\$3,965.00	\$3,969.00
Wheat Futures Aug	\$3,975.00	+1.00	\$3,980.00	\$3,984.00
Wheat Futures Sep	\$3,990.00	+1.00	\$3,995.00	\$3,999.00
Wheat Futures Oct	\$4,005.00	+1.00	\$4,010.00	\$4,014.00
Wheat Futures Nov	\$4,020.00	+1.00	\$4,025.00	\$4,029.00
Wheat Futures Dec	\$4,035.00	+1.00	\$4,040.00	\$4,044.00
Wheat Futures Jan	\$4,050.00	+1.00	\$4,055.00	\$4,059.00
Wheat Futures Feb	\$4,065.00	+1.00	\$4,070.00	\$4,074.00
Wheat Futures Mar	\$4,080.00	+1.00	\$4,085.00	\$4,089.00
Wheat Futures Apr	\$4,095.00	+1.00	\$4,100.00	\$4,094.00
Wheat Futures May	\$4,110.00	+1.00	\$4,115.00	\$4,119.00
Wheat Futures Jun	\$4,125.00	+1.00	\$4,130.00	\$4,134.00
Wheat Futures Jul	\$4,140.00	+1.00	\$4,145.00	\$4,149.00
Wheat Futures Aug	\$4,155.00	+1.00	\$4,160.00	\$4,164.00
Wheat Futures Sep	\$4,170.00	+1.00	\$4,175.00	\$4,179.00
Wheat Futures Oct	\$4,185.00	+1.00	\$4,190.00	\$4,194.00
Wheat Futures Nov	\$4,200.00	+1.00	\$4,205.00	\$4,209.00
Wheat Futures Dec	\$4,215.00	+1.00	\$4,220.00	\$4,224.00
Wheat Futures Jan	\$4,230.00	+1.00	\$4,235.00	\$4,239.00
Wheat Futures Feb	\$4,245.00	+1.00	\$4,250.00	\$4,254.00
Wheat Futures Mar	\$4,260.00	+1.00	\$4,265.00	\$4,269.00
Wheat Futures Apr	\$4,275.00	+1.00	\$4,280.00	\$4,284.00
Wheat Futures May	\$4,290.00	+1.00	\$4,295.00	\$4,299.00
Wheat Futures Jun	\$4,305.00	+1.00	\$4,310.00	\$4,314.00
Wheat Futures Jul	\$4,320.00	+1.00	\$4,325.00	\$4,329.00
Wheat Futures Aug	\$4,335.00	+1.00	\$4,340.00	\$4,344.00
Wheat Futures Sep	\$4,350.00	+1.00	\$4,355.00	\$4,359.00
Wheat Futures Oct	\$4,365.00	+1.00	\$4,370.00	\$4,374.00
Wheat Futures Nov	\$4,380.00	+1.00	\$4,385.00	\$4,389.00
Wheat Futures Dec	\$4,395.00	+1.00	\$4,400.00	\$4,404.00
Wheat Futures Jan	\$4,410.00	+1.00	\$4,415.00	\$4,419.00
Wheat Futures Feb	\$4,425.00	+1.00	\$4,430.00	\$4,434.00
Wheat Futures Mar	\$4,440.00	+1.00	\$4,445.00	\$4,449.00
Wheat Futures Apr	\$4,455.00	+1.00	\$4,460.00	\$4,464.00
Wheat Futures May	\$4,470.00	+1.00	\$4,475.00	\$4,479.00
Wheat Futures Jun	\$4,485.00	+1.00	\$4,490.00	\$4,494.00
Wheat Futures Jul	\$4,500.00	+1.00	\$4,505.00	\$4,509.00
Wheat Futures Aug	\$4,515.00	+1.00	\$4,520.00	\$4,524.00
Wheat Futures Sep	\$4,530.00	+1.00	\$4,535.00	\$4,539.00
Wheat Futures Oct	\$4,545.00	+1.00	\$4,550.00	\$4,554.00
Wheat Futures Nov	\$4,560.00	+1.00	\$4,565.00	\$4,569.00
Wheat Futures Dec	\$4,575.00	+1.00	\$4,580.00	\$4,584.00
Wheat Futures Jan	\$4,590.00	+1.00	\$4,595.00	\$4,599.00
Wheat Futures Feb	\$4,605.00	+1.00	\$4,610.00	\$4,614.00
Wheat Futures Mar	\$4,620.00	+1.00	\$4,625.00	\$4,629.00
Wheat Futures Apr	\$4,635.00	+1.00	\$4,640.00	\$4,644.00
Wheat Futures May	\$4,650.00	+1.00	\$4,655.00	\$4,659.00
Wheat Futures Jun	\$4,665.00	+1.00	\$4,670.00	\$4,674.00
Wheat Futures Jul	\$4,680.00	+1.00	\$4,685.00	\$4,689.00
Wheat Futures Aug	\$4,695.00	+1.00	\$4,700.00	\$4,704.00
Wheat Futures Sep	\$4,710.00	+1.00	\$4,715.00	\$4,719.00
Wheat Futures Oct	\$4,725.00	+1.00	\$4,730.00	\$4,734.00
Wheat Futures Nov	\$4,740.00	+1.00	\$4,745.00	\$4,749.00
Wheat Futures Dec	\$4,755.00	+1.00	\$4,760.00	\$4,764.00
Wheat Futures Jan	\$4,770.00	+1.00	\$4,775.00	\$4,779.00</

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Saturday March 1 1997

Sober up, says Fed

What does it take to stop a bull market in its tracks? Something more, it seems, than a jaw-boning from Mr Alan Greenspan, chairman of the US Federal Reserve.

When he accused the US equity market last year of "irrational exuberance", it scarcely paused before surging onwards and upwards. This week investors were a little more circumspect when he declared - also more circumspectly - that "caution was especially warranted" and that the gains of the past two years "raised questions of sustainability". But after a relatively modest downwards wobble, equities are still well above their level at the time of Mr Greenspan's last blast.

Such has been the recent euphoria in the market that it would not be surprising if this latest admonition coincided with a setback. Moreover, Mr Greenspan has now made it as clear as any central banker is ever likely to that a rise in interest rates will come sooner rather than later. Yet analysts remain remarkably sanguine about the longer term prospects - and not without reason.

For a start, the question is all about pre-emptive action as opposed to remedial measures, since signs of overheating remain largely absent. Yesterday's larger than expected downward revision of the annualised fourth-quarter growth rate from 4.7 per cent to 3.9 per cent was another example of the economy's tendency to err on the side of good behaviour.

Among the better reasons for Mr Greenspan's concern is that labour markets appear to be tightening. There are clear signs, as the Fed chairman noted in his twice-yearly testimony on monetary policy to Congress, that the pervasive sense of insecurity among the workforce is waning. Since insecurity has been an important restraining influence on wage demands at a time of declining unemployment, the significance for monetary policy is clear.

Job generation

Yet this hardly points to sustained interest rate increases on the scale required in 1994. And the state of the labour market also offers grounds for bullishness about the US economy. Where unemployment in France and Germany continues to rise, the US is a positive job generation machine. A further 250,000 private sector jobs were created in January alone, whereas scarcely any new jobs have

been created outside the public sector in continental Europe since the mid-1970s.

What is more, American employers are responding to labour shortages by hiring and training the unskilled, thereby helping address the problem of income inequality that so mars the flexible US labour market. This lends credibility to the story, much beloved of mutual fund investors, that the US economy is indeed seeing a miraculous transformation.

But the mutual fund investors who pumped a record \$29bn into net new investment in January appear to be as conscious as the commentators about the risks inherent in buying the market at current levels. As the feature on the page opposite shows, there has been a shift of cash flow from aggressive growth funds to those that are perceived to be more conservatively managed.

Favourable backdrop

Even so, it is hardly to believe that modest increases in interest rates from the Fed will put an end to the global party. The stance of monetary policy in continental Europe and Japan is still accommodating. The combination of weak economic activity, rising unemployment and substantial liquidity amounts to a favourable backdrop for equities across the world, even if valuations look stretched.

It could be that the big risks are being taken not in equities but in bonds. Mr Greenspan himself pointed to the optimism that had pushed junk bond yields closer to yields on much safer corporate debt. His words were followed by a report from the Bank for International Settlements which noted that investors were responding to the low level of interest rates by taking increased credit risk and market risk.

Not only have they been savouring the delights of Croatian kuna and Icelandic krona bonds, structured securities, in which derivative instruments are used to increase risk and reward, are back in fashion, having suffered a severe setback after the bond market collapse precipitated by Mr Greenspan's modest but potent interest rate increase in February 1994.

That does not detract from the fact that US equities are in dangerous territory. But it does suggest that even greater risks are being run in the more exotic reaches of the global market place.

COMMENT & ANALYSIS

Flat refusal to give up hope

While Labour hails its UK by-election victory, Major's optimism leaves him isolated even in his own party, says Robert Peston

The UK Conservative party is down but not quite out, after receiving what the prime minister and his deputy insist on describing as a "good kicking" in Thursday's Wirral South by-election.

"I believe we can and we will win the general election," Mr John Major said in the immediate aftermath of the loss of what should be a safe Tory seat in a prosperous part of north-west England.

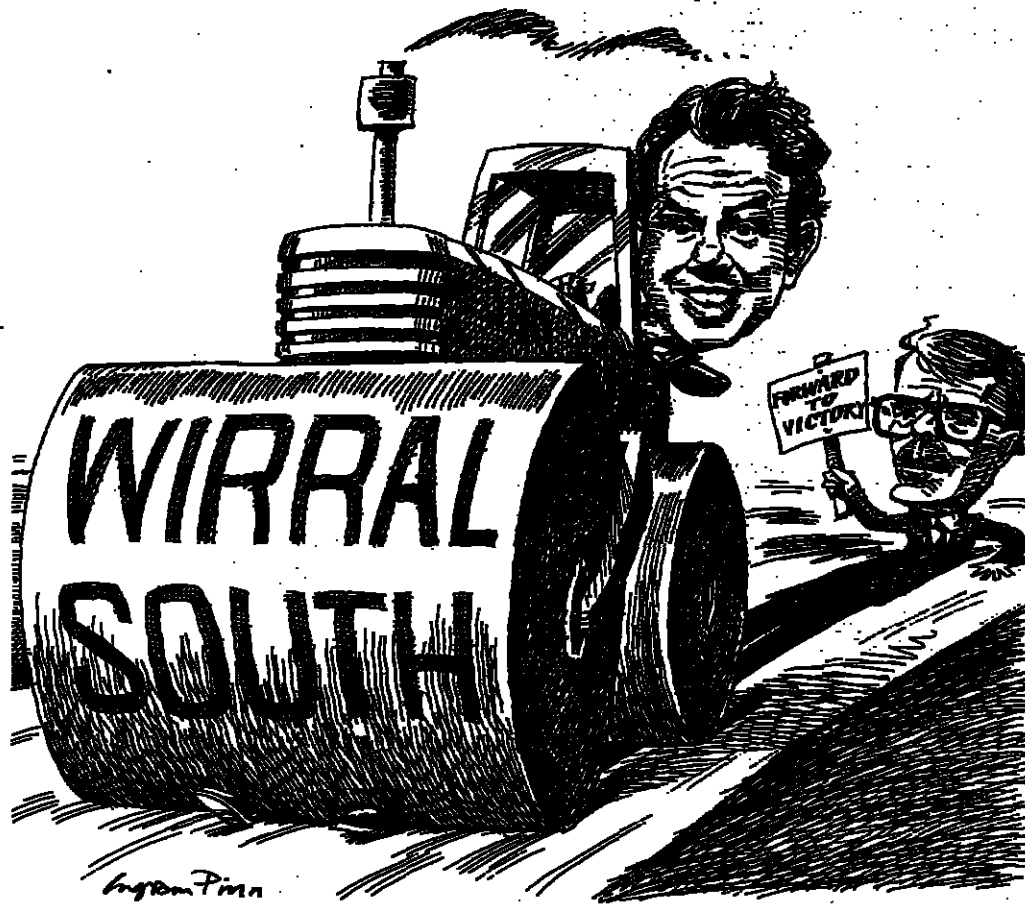
One of his cabinet colleagues was less sanguine. "We have not succeeded in communicating a clear, cogent, simple message," he said. "Whether we are fundamentally strong enough to win in the general election I simply don't know."

Labour party frontbenchers, while desperate to avoid appearing triumphalist, nonetheless found it difficult to conceal their glee. "Frankly it is difficult to see how we can go wrong now," said an influential colleague of Mr Tony Blair, the Labour leader.

Tory and Labour MPs agree, however, that it is too early to predict a landslide defeat for Mr Major's government. "The people of the Wirral voted knowing their votes would not change very much," said Mr Michael Howard, the home secretary who is expected to be a candidate for the Tory leadership if the party finds itself in opposition. It would all be very different, he insisted, when voters were asked to decide whether to change the government.

But the swing against the Tories at Wirral was 17 per cent. No UK government has ever recovered a deficit that big within only a few weeks of a general election.

The few Tory MPs who bothered to turn up at the House of Commons yesterday to debate private members' bills conceded they were not convinced that



what had transpired in the Wirral was merely a protest vote.

"Clearly when there was a year to go before the general election you could understand why people would want to give us a scare by voting against us," said one. "There was still enough time for us to make changes to the way we govern."

In the frantic search for silver linings, a senior Tory strategist was gratified that it was now clear to "the whole country" that

"a Labour government is a very real possibility" and that "people will begin to appreciate the very real dangers of such a change".

He argued for a continuation of the party's strident campaign under the slogan "New Labour, New Danger". Others, however, believe the Wirral result showed this approach is flawed.

"The solution is not to press on with saying that Labour are horrendous," said a minister. He wanted a more "positive approach", setting

out possible economic reforms which Labour would find impossible to match.

Alongside such disagreements on strategy, Mr Major has also created a potentially unstable command structure for the campaign. He has recently chosen Lord Cranborne, the leader of the House of Lords, as his chief of staff for the election. This has led to concern at Conservative Central Office, under the direction of Mr Brian Mawhinney, the party

chairman, that its role has been undermined. "Will it work?" asked a senior minister. "I haven't the faintest idea."

In spite of these signs of division at the top, Conservative grass-roots activists are resigned to soldiering on. "The biggest problem we have is that we have been in power for 18 years," says Mr Mike Dolly, chief agent in Birmingham. "At the end of the day, when people tell us it is time for a change we have to ask them what they want to change from, and what they are going to change to."

Meanwhile, Labour recognises that although its lead in the opinion polls is big, many former Tory voters are relatively unenthusiastic converts to its cause. Last Wednesday, Mr Peter Mandelson, head of its campaign team, urged constant vigilance on the shadow cabinet.

He told its members to concentrate on the "three Rs" in all their public statements:

● Remind the electorate why the Tories cannot be trusted.

● Reassure voters that Labour is a reformed party.

● Reward them with promises of smaller class sizes, unchanged income tax rates and measures to reduce unemployment.

His disciplined approach may offend many traditional Labour members, but its effectiveness is the single biggest difference between Labour and the Tories.

"Of course, not all of us like the way the party has changed, but don't expect anyone to break ranks before the election," says a leftwing MP. "When you have been out of office for as long as we have, winning is the only thing that matters."

Additional reporting by Richard Wolffe

David Butler puts this week's result in context

Rhythm of the swing

land or Wales. More than half the cabinet and over half the contenders to succeed Mr Major would lose their seats.

This would be a defeat on the scale of the Canadian Conservative government, which found itself reduced to two seats after the 1993 election. But in Britain there is a history of recovery from by-election defeats - in 1992, for example, the Conservatives won back every one of their by-election losses.

This time, however, the government is 18 percentage points behind Labour in the opinion polls; two months before the 1992 election, the parties were level-pegging. In terms of policies and leaders, the ratings are also more favourable to the opposition than five years ago.

Conservative by-election losses (%)			
		Drop in Tory vote	Drop in turnout
Jul 29 1993	Christchurch	32.2	6.5
Nov 19 1993	Widnes	22.5	1.5
Dec 15 1994	Dudley West	26.5	36.1
Jul 29 1995	Don Valley	19.5	1.5
Jul 29 1995	Lincoln	30.2	21.6
Apr 24 1996	South West	30.2	22.2
Feb 27 1997	Wirral South	18.5	9.4

Other factors should disturb Conservative Central Office. The third-party Liberal Democrats were squeezed less than expected. But in a seat they had no hope of winning some of their supporters plainly gave their votes to Labour. If repeated across the country on May 1, it

would be to the Conservatives' disadvantage.

Another worry is the high turnout - 73 per cent. There were hopes that disenchanted Conservatives would express themselves by staying at home: it is clear that a lot of them voted Labour in Wirral South.

None of the nine minor parties managed to get even 1 per cent of the vote - a fifth of the amount needed to save a deposit. The best showing was 0.9 per cent for the UK Independence party, not a good augury for Sir James Goldsmith and his Referendum party which plans to put up candidates in every seat at the general election.

By-elections on the eve of general elections can mislead, however. In 1980, two unexpectedly favourable results tricked Benjamin Disraeli into an unsuccessful appeal to the country.

In more recent contests, the Liberals and the Alliance had triumphed a month or two ahead of general elections that were not echoed across the nation. In November 1991, Labour took Loughborough on Teesside on a 3.8 per cent swing and lost it the following May on a 2.3 per cent swing back. But such figures look small compared with the movement in Wirral South.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5338, e-mail: letters@ft.com. Public relations are also available on the FT web site, <http://www.ft.com>. Translation may be available for letters written in the main international languages.

Emu membership - the real uncertainty

From Ms Maria Demertzis.

Sir, The probabilities you present each Tuesday on each country's chances of entering Emu are somewhat misconceived because they are conditioned upon the event of monetary union being certain. If, however, the probability of this event is less than one, then no country should ever have a 100 per cent probability of joining, since it is

impossible to have a union of one!

The interesting probabilities to calculate, therefore, are those that are conditioned upon monetary union being an uncertain event as well. This is the most important question, since which countries will join is no longer done on a hard-nosed version of the Maastricht criteria but on something else which is far from

transparent (per capita income?).

How much lack of transparency the markets will allow before they lose complete faith in the project is, in my view, the source of most uncertainty.

Maria Demertzis, department of economics, University of Strathclyde, 100 Cathedral Street, Glasgow G4 0LN, UK

Limited life for the euro

From Mr Selwyn Hodson-Pressinger.

Sir, The unmaking of the euro's bridges ("A bridge too near for euro banknote", February 14) finally adds some comic relief to the farce over its design. Nonetheless, by taking a more long-term view of our use of currency, it is evident that coins and banknotes will soon be deemed outmoded in a European economy increasingly dependent upon sophisticated technology for monetary transactions and with the universal, and exclusive, use of credit and debit cards.

As a consequence, not only will individual national currencies have to be phased out but the same fate awaits euro banknotes and coins issued by the European Central Bank, in spite of article 105a of the Maastricht treaty.

Selwyn Hodson-Pressinger, 17 Place de Reims, 59800 Lille, France

Incomparable

From Mr Gary Levinson.

Sir, I am an American, reasonably educated, and consider myself to have a good sense of humour. In spite of all that, I still think the new American sitcoms ("If it's witty it must be American", February 22/23) stink. It takes more than journalistic licence to compare Roseanne to Monty Python.

Gary Levinson, managing editor, New Renaissance, Welsmanweg 4D-55129, Mainz, Germany

Price to pay for retailers entering banking

From Philip J. Bull.

Sir, I refer to Ian Cheshire's letter (February 25), in which he states that the result of retailers entering the banking business will be that "the price of consumer credit can only fall". This may well be the case in the

short term, but the expansion of credit without regulation can only result in higher interest rates, inflation and misery from too much debt.

Which returns first - higher interest rates or regulation of credit - depends on Bank of

England governor Eddie George and the next chancellor. What is certain is that both will return.

Philip J. Bull, 13 Graves Mead, Tenbury Wells, Worcestershire WR15 8EX, UK

Major's claims do not stand close examination

From Mr Alistair Darling MP.

Sir, The article by UK prime minister John Major ("Defence of the low tax economy", February 24) beggars belief. His claims both in respect of his record and the Labour party's proposals do not stand close examination.

He says we have a low tax economy. But the burden of taxation has risen from 34.75 per cent of gross domestic product in 1978-79 to 36 per cent this year. Indeed, the 22 tax rises since 1992 have cost a typical family £2,000.

He says he has broken the trend towards big government. Yet government spending in 1995-96 was exactly the same as it was in the last year of the last Labour government. This prom-

ise is made just before every election. The prime minister does not say how he intends to cut the share of public spending - indeed, he has made a number of extra unfunded spending commitments since the beginning of this year alone.

His claim to have curbed the growth in social security benefits is remarkable. In the last 18 years it has increased by 88 per cent. And his assertion that the UK debt burden has fallen is equally misleading.

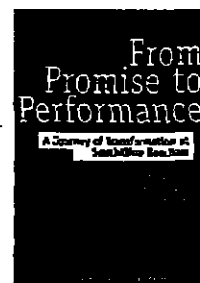
The national debt has doubled since he became prime minister and now accounts for 45.5 per cent of GDP. And his assertion that we can return the public sector borrowing requirement

towards budget balance by the end of the century has to be taken alongside the claim he made in 1992 that the PSBR would be just £5bn this year. In fact it is forecast to be £20bn more than that.

The prime minister also claims to have identified 89 spending commitments made by us. Contrary to his assertion, we have comprehensively refuted each and every one of these bogus claims, which are now widely discredited.

Alistair Darling, shadow chief secretary to the Treasury, House of Commons, London SW1A 0AA, UK

FT Bookshop



'A text book on the merger process'

Tony Jackson, *The Financial Times* 13.2.97

THE hugely successful and widely copied merger of Beecham and SmithKline was the first in the latest wave of mergers. *From Promise to Performance* is not just a history of the merger, but a work on management. Written by Bob Bauman, the chief executive, and the personnel and public relations bosses, it charts the mechanics of a successful merger including:

- The formal integration of two companies.
- Deciding who best to run it.
- The setting of operational rules.
- The definition of a new culture.
- Process management and re-engineering.

To order *From Promise to Performance* simply send or fax this coupon to: Financial Times Bookshop, 250 Western Avenue, London, W3 6XZ. Fax orders to +44 (0)181 324 5678 or telephone +44 (0)181 324 5511.

Please send me copy(ies) of *From Promise to Performance* (£19.99 each).

Postage and Packing: UK FREE. Europe £3.50 / book. Rest of World £7.50 / book.

☐ I enclose a UK cheque for £..... made payable to FT Bookshop.

☐ Please debit £..... to my Visa / Mastercard / Switch / Amex Card No.

Switch Issue No Card Start Date Card Expiry Date

Title Initials Surname

Address

Postcode Tel / Fax

Signature

☐ Please do not send any further mailings from companies carefully selected by The FT Bookshop

Boris Yeltsin must seize the political initiative after his long absence, says Chrystia Freeland

Brawler back in the ring



Mr Boris Yeltsin, Russia's battered heavy-weight champion, is preparing to step back into the ring.

A heart attack, quintuple bypass operation and double pneumonia have combined to keep the Kremlin leader on the sidelines for nearly eight months. Now, at last, Mr Yeltsin says he has fully recovered, and seems determined to reassert himself as Russia's leader.

After months of political hibernation he has visibly plumped up his work schedule, holding meetings over the past week with Mrs Madeleine Albright, the US secretary of state, and several senior government officials. The real test begins next week, when Mr Yeltsin is due to deliver a state of the nation address.

If it runs for the usual 30 to 40 minutes, the speech will be the Kremlin leader's longest live, public appearance since his inauguration last August.

Mr Yeltsin will be on international display again two weeks later, when he is due to fly to Helsinki for a summit meeting with Mr Bill Clinton, the US president.

It is a gruelling programme for a man whose doctors recently admitted he could work only two hours a day. Yet Mr Yeltsin's supporters point out that the Siberian brawler is no stranger to political comebacks. In the 1980s he fought his way back from the political wilderness. Last year, in defiance of medical advice, he threw himself into a vigorous campaign which brought him from single-digit opinion poll ratings to an overwhelming victory in July's presidential elections.

It is an impressive record, but this time around Russia's president is facing what is likely to be the toughest challenge of his career. For one thing, Mr Yeltsin has again lost the confidence both of Russia's political establishment and of large sections of the Russian people.

hoodwinked by crafty advisers and family members.

This is the portrait of the president that has appeared in the Russian media, now largely released from the self-censorship of the election campaign. Quoting anonymous bodyguards, housemaids and disgruntled aides, reporters have depicted the Russian leader as a man who cannot walk unaided for more than a few yards.

This jaundiced attitude reaches right up into the Kremlin's inner circle. "He lives every day at the grace of God," says one of the Moscow bankers who organised and financed the president's re-election campaign. If such tales are false, they will be easy to quell. In the glow of a few vigorous, live presidential appearances they will melt away as quickly as similar concerns disappeared last spring.

More difficult to counter, however, could be the strengthening impression that, without Mr Yeltsin as umpire, the Kremlin and cabinet have degenerated into squabbling cabals whose principal occupation is thwarting one another's plans.

Consider Mr Alexander Livshits, the minister of finance, discussing the prospects of a ground-breaking new presidential decree he has prepared to tighten central control over government funds. These often vanish into the pockets of local officials when they are disbursed to the regions.

"It is a wonderful decree," Mr Livshits says. "The only question is whether we can succeed in getting the decree signed by the president."

The problem is that, first, it must pass through many hands before it gets to him and many of those hands are not interested in the system being put into place.

most critical arms of the Russian state, has seen the president only once since November.

If Mr Yeltsin makes good on his vow to return to active office, his first job will be to restore some semblance of order to his personal administration and his government. He must end the internecine warfare that has raged among his minions in his absence and re-assert channels of direct contact between himself and his ministers. Above all, he must begin the task of building public confidence and respect for the state.

Only if he brings his bureaucracy into line will Mr Yeltsin be able to confront the political challenges Russia still faces. Instead of the stark choice between communism and capitalism that went before, Russia is at a less grandiose - but still important - crossroads. The government's decisions today will determine whether Russia develops into a corrupt, Latin American-style state dominated by a narrow elite, or implements the aggressive reforms necessary to transform the nation into a liberal, western democracy with an open, competitive market economy.

form the nation into a liberal, western democracy with an open, competitive market economy.

Moscow is bubbling with speculation that Mr Yeltsin will use his state of the nation address to outline a package of bold structural reforms and to bring some pioneering market reforms, such as Mr Anatoly Chubais, or Mr Yegor Gaidar, the former prime minister, back into the cabinet. That would be a welcome signal that Mr Yeltsin is ready to come back out slugging for fundamental change.

In spite of the break Russia has made with the system of one-man rule - the legacy of its tsarist and communist past - its destiny remains very much in the hands of one man. This month is probably Mr Yeltsin's last opportunity to re-emerge as a credible leader.

If he does, his recent feebles will soon be forgotten. But the pretenders, first among them Mr Alexander Lebed, the charismatic former general, are already building their campaign teams and courting the bankers. If the Kremlin's ageing titan falters, they will not hesitate to swoop in.

Small investors are pouring their savings into US mutual funds in spite of predictions of a Wall Street downturn, says John Authers

Uncorrected optimism

Mrs Helen Pineiro of Short Hills, New Jersey, is undaunted by warnings that Wall Street is overdue for a sharp correction. She is still investing in mutual funds and insisting her twin sons, who recently turned 30, do the same.

"Certainly for younger people the market is the place to be," she says. "If I needed the funds immediately, I would be very concerned and have sleepless nights. But the only way to beat the market is to stay in it for the long term."

Seemingly, nothing can stop the record flow of funds into US mutual funds. Figures published this week confirmed predictions that small investors would cut their investments in a downturn.

The industry attracted \$29.4bn in new money in January, a record for a single month. Millions of small investors have invested \$1.6bn in equity funds through mutual funds - and show little sign of losing faith in the stock market.

This irrefragable optimism worries many Wall Street analysts, who fear that when the correction comes, the fall will be accelerated by a stampede out of the market by small investors.

"Investors are not as informed as they should be," Mr Arthur Levitt, chairman of Securities and Exchange Commission, the main regulator of the US securities business, said in Boston this week. "This is especially troubling because most of these new investors have experienced only a bull market. I fear that in a downturn those who don't understand risk may react precipitously and carelessly, at great cost to themselves and our markets."

Some in the industry share his concern. Significantly, they include Vanguard, the Pennsylvania-based group of funds, which took in more new cash than any other last year and has retained its lead so far this year.

Vanguard says it is worried that some investors are suffering from "irrational expectations". It is writing to its investors to warn them that the stock market may be near its peak, and urging them to look on the company's funds as long-term investments.

The problem for Wall Street is that it is impossible to tell whether the suspicions of Vanguard and Mr Levitt are correct. More than 50m Americans own shares in at least one mutual fund. They have varying needs and motivations and their actions if the market turns down cannot be predicted.

Their influence on the market can be exaggerated, as mutual funds account for only 14 per cent of all US equities. And close examination of the latest figures suggests that the flows may be more sustainable than they appear, because investors are becoming more cautious in their choice of funds.

In January last year, the previous record month when equity funds took in \$28.8bn, so-called "aggressive growth" funds specialising in small companies fared best. Investors have now moved to what they see as safer funds based on large companies, such as the index funds in which Vanguard specialises.

"We got our biggest cash flows into our funds in the first half of last year," says Mr Gary Pilgrim of Fidelity, one of the top 10 companies for sales last year, thanks to its strong investment results and aggressive approach.

"Since then it's been flat. Whatever the industry is doing, it is doing it without us. Most of the money is going into different types of vehicles and the heyday of aggressive growth funds is temporarily behind us."

Mr Russ Kinnel, head of equity fund research for Morningstar, a Chicago-based research group, suggests last year's flows into funds specialising in small companies probably did move markets. "I don't think that money going into these large capitalisation funds is moving the market. And if the market does start to do badly, it's unlikely those funds would crash the way an aggressive growth fund can crash."

There is also reason to be optimistic about demand, says Mr Don Powell, chairman of Van Kampen American Capital, a large mutual fund company. He chairs the Investment Company Institute, the industry's trade association, and believes longer-term demographic factors will sustain fund sales.

The "baby boom" generation is entering its last decade before retirement, he points out, and has a strong incentive to save. When the institute last surveyed fund investors, 84 per cent said they were investing for retirement. At the end of 1995, the most recent year for which figures are available, 35.7 per cent of the industry's assets were in retirement accounts.

Much of this money is now in "401(k)" plans, individual investment funds which offer tax relief on regular savings for retirement. At the end of 1995 such plans accounted for 9.3 per cent of mutual fund assets, up from 7.7 per cent the year before. Most industry executives believe the proportion will have increased in 1996.

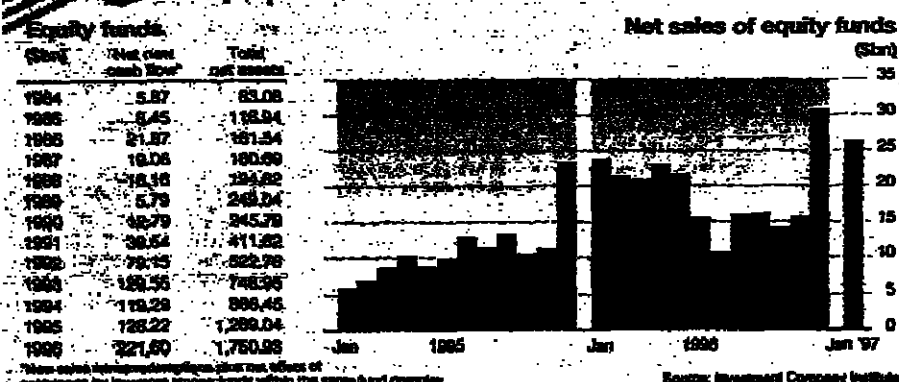
Money in 401(k) plans is a stabilising influence on the market, according to Mr Powell. This is because it cannot be withdrawn, although it can be switched from equity to cash funds.

In any case, the evidence from previous stockmarket corrections is that mutual funds are unlikely to suffer catastrophic levels of withdrawal. The worst ever monthly outflow in percentage terms was 4.5 per cent, in the month following the "Black Monday" crash of October 1987. But this was below the proportion kept in cash, and funds did not have to sell equities.

Perhaps most important, investors have nowhere to go if the market does crash. The rise of mutual funds to dominance followed the collapse of the savings and loans groups, similar to UK building societies, at the end of the 1980s.

As Mr Michael Lipper, chairman of Lipper Analytical Services, puts it: "Typically money doesn't just leave. It goes somewhere else. Unless interest rates move significantly higher, or there's some significant new tax advantage that makes some other investment attractive, people will ride it out in their existing funds."

US mutual funds: the money keeps coming



Full circle to disaster

The challenges for a privatised London Underground conjure up past failures, says Peter Martin



Charles Yerkes: skilful manoeuvrings and a famous victory

Quaker banker in Philadelphia, he started a stockbroking career at the age of 23. By 24, he was in jail for embezzlement.

On his release, he saw an opportunity in the newly emerging streetcar businesses, and eventually won control of the Chicago lines. "The secret of success in my business," he once said, "is to buy old junk, fix it up a little, and unload it on other fellows."

Or, as a contemporary journalist described one of his projects: "The Union Traction Company was capitalised at \$120m and at the height of its prosperity was estimated by an expert examiner to be worth, as a going concern, \$18m."

Hounded out of Chicago, Yerkes arrived in London one step ahead of his creditors at the age of 63, accompanied by his 23-year-old blonde mistress. Skilful manoeuvrings brought him control of the District, then of the new deep-level lines still under construction. It was a famous victory, not

least because it marked a signal defeat for J.P. Morgan, backer of a rival consortium. Scarcely pausing for breath, Yerkes resolved a rancorous dispute about which electrification technology to use, built Europe's biggest power station at Loth Road in Chelsea, and brought almost all the important lines under the wing of a new company, the Underground Electric Railways of London, capitalised at £50m. Then, before the lines could be completed, he died, leaving London incomparably the richer. Shareholders may have felt less enthusiastic: it was 24 years before they received their first dividend.

Under Yerkes' successor, Albert Stanley (later Lord Ashfield), the Underground company gathered in buses and some private tram-lines, and won parliamentary approval to pool the earnings of its subsidiaries, effectively ending competition across most of London's transport system. Only the Metropolitan and the munic-

ipally-owned trams remained outside the group. But though the buses made money, the underground lines were never really profitable, as their lack of dividends showed.

Stanley was born in Britain, but he owed his drive and energy to an early career in America. He was a strong believer in central control, and eventually agreed with the Labour government of 1928-31 on a publicly-owned authority to run London's transport, along the lines of the BBC or the Central Electricity Generating Board.

The principal aim of Stanley's new London Passenger Transport Board was "to eliminate wasteful competition". It was as high-minded as its sister agency, Lord Reith's BBC, and spread good design, enlightened labour practices and tasteful graphics across the whole of London.

Its crowning moment was probably the coronation of 1937, when the tubes ran non-stop for 46 hours, whisking passengers to and from the celebrations in an era before the mass use of private cars.

But as that era ended, and cars undermined the underground's cross-subsidy from a profitable bus network, the glory years of London Transport ended too.

Once the memories of a heroic war record - as shelter for thousands during the Blitz and home of underground aircraft factories in the part-completed extension of the Central line - faded, the underground was prey to lack of investment, political wrangles between central and local government, and diminished popular support.

Since Farringdon's yellow bricks were first laid, much has changed in Britain. But the challenges for a privatised underground - or one which, in Labour's preferred formula, enters a partnership with private money - are in essence those which the privately-owned lines tried, and failed, to surmount a century ago. How to achieve monopoly without stagnation; innovation without exploitation?

Unless such a balance is struck, the underground's choice lies between Forbes or Yerkes. The triumph of either would leave this experiment in private finance as troubled as the last.

Richard Waters and Jonathan Annells assess demand for the latest digital cameras

Snapshot of a new technology

At Yodobashi Camera, one of Tokyo's busiest consumer electronics stores, Japan's gadget-happy shoppers are snapping up digital cameras.

These devices, which capture images on a computer chip rather than traditional silver-halide film, are being sold in the store at a rate of about 30 a day, says salesman Mr Takaya Kobayashi - three times the number of everyday compact cameras.

Half a world away, in the camera stores that litter Manhattan's Herald Square area, the picture is decidedly different. The digital cameras, absent from most shop windows, are hidden away at the back of the more adventurous stores. Enquired after by salesmen, visitors have to operate them. This is because the making of the latest consumer camera is so spring from the digital revolution.

These two snapshots point to the potentially very different pictures that could await the latest leap in photographic technology. Digital cameras may eventually become standard items on family holidays the world over, or they might end up a quirky footnote to consumer history.

The new technology could be a game-changer, says Mr Robert Unterberger, head of digital photography at Kodak. "This could, if people make it too

they will notch up further advances before the end of the decade, bringing them closer to the mainstream. Twelve months ago you could count the number of companies making such devices on one hand. Now about 30 manufacturers are vying for shelf space. In one five-day spell last month, five Japanese manufacturers launched models aimed at the consumer market.

Prices are falling fast. The Casio QV10a - easily the most popular model so far - costs £28,000 in Tokyo and \$400 in Manhattan. Kodak, another strong contender, priced its DC25 at \$500 when it launched it last summer. Worldwide sales last year reached a respectable

to reach beyond the narrow group of consumers to which it now appeals.

"Most of the people buying these cameras want to make more effective use of their personal computers, or want one for graphic DTP [desktop publishing] work," says Mr Kobayashi. That means doing things such as attaching digital snapshots to e-mail messages sent over the Internet, inserting them in work documents compiled on screen, or transforming them into home-made greetings cards.

In New York they have a word for such buyers - "prosumers". These are the mixture of home computer nerds and small-business dabblers on the cutting

lives or are just plain fun.

The average consumer may be harder to reach. Images produced by the cheaper versions - those below several thousand dollars - are poor, while sales of the new cameras can only go as fast as the spread of personal computers.

Most people "aren't going to send their images over the Web to grandma because, more than likely, grandma doesn't have a computer," says Ms Susan Wilford, head of digital cameras at Polaroid.

There is also the complexity of plugging a camera into the computer, then navigating the software to retrieve, then manipulate the images.

Kodak's overriding aim, he says, is to try to make digital picture-taking simple - a tough challenge, as the millions who have never been driven to distraction by their home PC will attest.

This raises the question: are digital cameras the best way of getting images from a camera to a computer screen? Other pieces of equipment - either on the market or in the pipeline - may do the job better. A scanning device, for instance, can convert photographs to digital computer images far more cheaply and with much higher resolution.

Another vision of the future



printer might be wired up to the family television set.

It may indeed be, as some argue, that the computer-chip camera will spell the end of silver-halide film after more

CURRENCIES AND MONEY

Lira slides

MARKETS REPORT
By Simon Kuper

The lira fell yesterday on growing fears that European monetary union might be delayed. The currency dropped below 1,000 to the D-Mark for the first time since Italy rejoined the European exchange rate mechanism in November. The fall occurred despite repeated purchases of lira by the Bank of Italy.

The lira's slide stemmed from rumours that Germany would request a delay to the Bundesbank denied the rumours. Asked whether Germany was seeking a delay, Mr Romano Prodi, the Italian prime minister, said it was "possible but not an easy thing".

The peseta and the Portuguese escudo also came under pressure from the fears for Emu. The peseta

softened to Ptas485 to the D-Mark in US trading, although the Bank of Spain intervened in the market to support its currency.

The dollar suffered mildly on remarks after the London close by Mr Larry Summers, US deputy treasury secretary. He said Japan's challenge was "to prevent a resurgence of its external (trade) surplus".

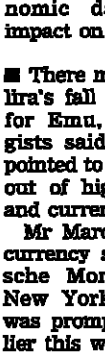
Traders took this to mean that the US was starting to worry about its own trade deficit, which has grown due to the dollar's recent strength against the yen.

In late US trading the dollar was at Y230.3 to the yen, 0.5 below yesterday's close. Against the D-Mark it was 0.3 pfennigs down at

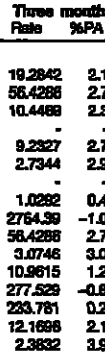
Dollar
Dollars per £



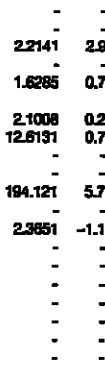
Yen per \$



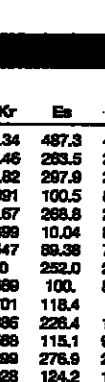
£ per \$



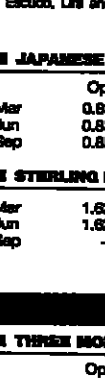
DM per £



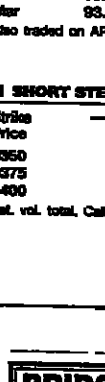
DM per £



DM per £



DM per £



DM per £



DM per £



DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

DM per £

Authorised Unit Trusts

● FT Cyteline Unit Trust Prices are available over the telephone. Call the FT Cyteline Help Desk on (44 177) 873 4378 for more details.

FT MANAGED FUNDS SERVICE

AUTHORISED UNIT TRUSTS

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

20-41 Bedford Way, London EC2A 4EJ 0171-833 2244
UK Office: 020 7625 7719
Fax: 020 7625 7719
Email: unittrusts@ft.com
High Income: 020 7625 7719

The Financial Times plans to publish a Survey on

The Business of Football

on Tuesday, April 29

For more information on advertising opportunities and a full editorial synopsis, please contact:

Pat Looker

Tel: +44 161 834 9381

Fax: +44 161 832 9248

or your usual Financial Times representative

FT Surveys

EASDAQ

EASDAQ is a fully regulated independent pan-European stock market founded on high growth companies with international aspirations. The shares of companies on the EASDAQ Stock Market can be bought and sold through EASDAQ Members. EASDAQ Members are made up of Brokers and Banks from across Europe.

Company	Share price	Change Volume	High	Low	Company	Share price	Change Volume	High	Low
Acorn	US\$1.15	1200	8.25	6	Imogenics	US\$1.15	4500	11.25	10.5
Network Systems	US\$1.05	2500	11.75	10.25	Pro-Inc	US\$1.05	1000	11.75	10.25
Dr Solomons ADS	US\$1.05	1000	22.75	20					
East Telecom ADS	US\$1.25	4000	12.5	12					

Information about EASDAQ can be found on the Web site at: <http://www.easdaq.com>
EASDAQ Offices are located in Brussels (tel: 32-2 227 65 20) and in London (tel: 44-171 515 3096)

Guide to pricing of Authorised Unit Trusts

Compiled with the assistance of AUTIFSS

Initial charge: Charges made by a unit manager, used to defray marketing and administrative expenses, including commission paid to intermediaries. This charge is shown on the latest available prospectus and is not a fee for the purchase of units.

Buying price: Also called offer price. The price at which units are bought by investors. Selling price: Also called bid price. The price at which units are sold by investors.

Historic pricing: The letter E denotes that the managers normally deal on the price set on the most recent valuation. The prices shown are the latest available before publication and may not be the current selling price because of an intervening valuation. The letter G denotes that the price at which units are sold by investors is the forward price and may move in the forward pricing at any time.

Forward pricing: The letter F denotes that the managers deal at the price to be set on the next valuation. Investors can be given the next valuation in advance of the purchase or sale of units. The price appearing in the prospectus is the most recent price provided by the managers.

Exit charges: The letter E denotes that the exit charge may be made when you sell units, contact the manager for full details.

Times: The time shown alongside the unit manager's name is the time of the unit manager's valuation price unless another time is indicated by the symbol alongside the unit manager's name. The symbols are: (V) 0900 to 1100 hours (M) 1400 to 1700 hours (N) 1700 to midnight. Daily dealing prices are not on the basis of the valuation price at short notice of time may depend on the price source available.

Scheme particulars and Reports: The most recent report and other particulars can be obtained free of charge from unit managers.

Other explanatory notes: are contained in

FT MANAGED FUNDS SERVICE

• FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (44 171) 873 4378 for more details.

Authorized Insurances

[illegible]

FT MANAGED FUNDS SERVICE

Selling Price	Buying Price	+ or -	% Diff.
100	98	-2	-2%
100	96	-4	-4%
100	94	-6	-6%
100	92	-8	-8%
100	90	-10	-10%
100	88	-12	-12%
100	86	-14	-14%
100	84	-16	-16%
100	82	-18	-18%
100	80	-20	-20%
100	78	-22	-22%
100	76	-24	-24%
100	74	-26	-26%
100	72	-28	-28%
100	70	-30	-30%
100	68	-32	-32%
100	66	-34	-34%
100	64	-36	-36%
100	62	-38	-38%
100	60	-40	-40%
100	58	-42	-42%
100	56	-44	-44%
100	54	-46	-46%
100	52	-48	-48%
100	50	-50	-50%
100	48	-52	-52%
100	46	-54	-54%
100	44	-56	-56%
100	42	-58	-58%
100	40	-60	-60%
100	38	-62	-62%
100	36	-64	-64%
100	34	-66	-66%
100	32	-68	-68%
100	30	-70	-70%
100	28	-72	-72%
100	26	-74	-74%
100	24	-76	-76%
100	22	-78	-78%
100	20	-80	-80%
100	18	-82	-82%
100	16	-84	-84%
100	14	-86	-86%
100	12	-88	-88%
100	10	-90	-90%
100	8	-92	-92%
100	6	-94	-94%
100	4	-96	-96%
100	2	-98	-98%
100	0	-100	-100%

Money Market Bank Accounts

FT MANAGED FUNDS SERVICE

Category	Subcategory	Value	Unit	Category	Subcategory	Value	Unit																																																													
Total	Energy	100	100	Total	Energy	100	100																																																													
	Other	0	0		Energy	Electricity	100	100	Energy	Electricity	100	100	Other	0	0	Other	Gas	0	0	Other	Gas	0	0	Other	0	0	Gas	Electricity	0	0	Gas	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0	Electricity	Electricity	0	0	Electricity	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other
Energy	Electricity	100	100	Energy		Electricity	100	100																																																												
	Other	0	0		Other	Gas	0	0	Other	Gas	0	0	Other	0	0	Gas	Electricity	0	0	Gas	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0	Electricity	Electricity	0	0	Electricity	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0									
Other	Gas	0	0	Other		Gas	0	0																																																												
	Other	0	0		Gas	Electricity	0	0	Gas	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0	Electricity	Electricity	0	0	Electricity	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0																				
Gas	Electricity	0	0	Gas		Electricity	0	0																																																												
	Other	0	0		Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0	Electricity	Electricity	0	0	Electricity	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0																															
Other	Electricity	0	0	Other		Electricity	0	0																																																												
	Other	0	0		Electricity	Electricity	0	0	Electricity	Electricity	0	0	Other	0	0	Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0																																										
Electricity	Electricity	0	0	Electricity		Electricity	0	0																																																												
	Other	0	0		Other	Electricity	0	0	Other	Electricity	0	0	Other	0	0																																																					
Other	Electricity	0	0	Other		Electricity	0	0																																																												
	Other	0	0																																																																	

(SIB RECOGNISED)

[illegible]

Offshore Insurances and Other Funds

Offshore Insurances and Other Funds

[illegible]

Highs & Lows shown on a 52-week basis

WORLD STOCK MARKETS

NORTH AMERICA

UNITED STATES (Feb 28/1997)
(in \$ bn)

	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	6
--	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	---

LONDON STOCK EXCHANGE

US interest rate worries upset share prices

MARKET REPORT

By Steve Thompson,
UK Stock Market Editor

Another dose of Greenspan worries, plus the crushing defeat of the Conservatives in the Welsh South-by-election played on investors' nerves yesterday, briefly driving the FTSE 100 index below the 4,300 mark.

And markets across Europe were not being helped by a sudden mid-morning burst of speculation that Germany might be contemplating a two-year delay in European monetary union.

The main depressant for London came from Wall Street's

Thursday performance, where a late sell-off drove the Dow Jones Industrial Average down 58 points. US Treasury bonds endured an uncomfortable session, too, retreating a quarter of a point.

Wall Street's unhappiness was evident again in early trading yesterday when the Dow fell over 50 points, before staging a rally which brought the average back to almost level, not long after London closed.

That performance surprised many market observers, coming in the wake of a downward revision in fourth-quarter gross domestic product. The annualised figure was lowered from 4.7

per cent to 3.8 per cent. The Chicago purchasing managers index came in stronger than expected, but not dramatically so.

At the end of a session marked by flurries of selling, Footsie had comfortably regained the 4,300 level, eventually finishing 30.9 off at 4,308.3.

Other indices were also lower but downside pressure outside the top 100 stocks was never more than routine, dealers said. The FTSE 250 closed 8.6 down at 4,654.4, while the SmallCap dipped 2.3 to 2,853.9.

Over a week in which the Fed chairman Mr Alan Greenspan repeated his warnings about emerging inflationary pressures

and the doubtful sustainability of US equity prices, the FTSE 100 has fallen 28.5 points.

The FTSE 250 and SmallCap indices, which both hit new intraday and closing highs during the week, show five-day gains of 23.4 and 6.3 respectively.

There was genuine concern among marketmakers in London about the possibility of a US interest rate rise when the Federal Reserve's Open Market Committee meets on March 25.

Treasury bonds were looking unhealthy at the close of European markets yesterday and helped to unnerve gilts, where the pace of selling pressure built up considerably just before trad-

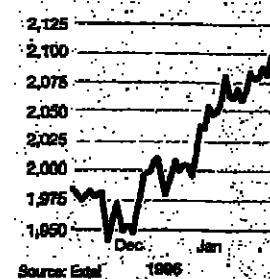
ing finished. The 20-year gilt settled more than a point lower.

One senior marketmaker said: "Bonds are looking pressured and that is going to pile the pressure on equities."

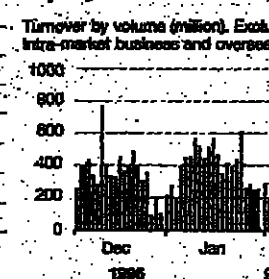
Turnover at the 5pm count was 832m shares, akin to recent enhanced levels. Customer business on Wednesday was worth £2.5bn and on Thursday, £2.9bn.

Standard Chartered continued its outperformance since its preliminary figures released in mid-week, topping the FTSE 100 table. HSBC, due to announce full-year numbers on Monday, also caught the eye. Bid speculation continued to surround Commercial Union, the composite insurer.

FTSE All-Share Index



Equity shares traded



Indices and ratios		
FTSE 250	4654.4	-8.6
FTSE 350	2134.0	-12.9
FTSE All-Share	2107.88	-11.88
FTSE All-Share yield	3.68	3.54
FT 30	2747.5	-23.1
FTSE Non-Fins p/e	18.51	18.63
FTSE 100 Fut Mar	4285.0	-45.0
10 yr Gilt yield	7.28	7.17
Long gilt/equity yield ratio	2.01	2.06

FTSE 100 Index	
Closing index for Feb 28	4308.3
Change over week	-28.5
Feb 27	4336.2
Feb 26	4329.3
Feb 25	4344.7
Feb 24	4331.1
High	4358.0
Low	4300.0
Five-day high and low for week	

TRADING VOLUME IN MAJOR STOCKS

Stock	Vol.	Change	Day's High	Day's Low
ASDA Group	1,000	+10	1,010	1,000
ASDA Retail	1,000	+10	1,010	1,000
ASDA Food	1,000	+10	1,010	1,000
ASDA Home	1,000	+10	1,010	1,000
ASDA Petrol	1,000	+10	1,010	1,000
ASDA Travel	1,000	+10	1,010	1,000
ASDA Insurance	1,000	+10	1,010	1,000
ASDA Services	1,000	+10	1,010	1,000
ASDA Utilities	1,000	+10	1,010	1,000
ASDA Telecom	1,000	+10	1,010	1,000
ASDA Media	1,000	+10	1,010	1,000
ASDA Real Estate	1,000	+10	1,010	1,000
ASDA Healthcare	1,000	+10	1,010	1,000
ASDA Technology	1,000	+10	1,010	1,000
ASDA Energy	1,000	+10	1,010	1,000
ASDA Chemicals	1,000	+10	1,010	1,000
ASDA Pharmaceuticals	1,000	+10	1,010	1,000
ASDA Consumer Goods	1,000	+10	1,010	1,000
ASDA Financial Services	1,000	+10	1,010	1,000
ASDA Industrial	1,000	+10	1,010	1,000
ASDA Transport	1,000	+10	1,010	1,000
ASDA Miscellaneous	1,000	+10	1,010	1,000

EQUITY FUTURES AND OPTIONS TRADING

	Vol.	Closing	Settle	Change	High	Low	Est. Vol.
Mar 4300.00	3800	39116	39116	-07			
Mar 4350.00	1000	39200	39200	-07			
Mar 4400.00	7200	39300	39300	-07			
Mar 4450.00	1	39400	39400	-07			
Mar 4500.00	1	39500	39500	-07			
Mar 4550.00	1	39600	39600	-07			
Mar 4600.00	1	39700	39700	-07			
Mar 4650.00	1	39800	39800	-07			
Mar 4700.00	1	39900	39900	-07			
Mar 4750.00	1	40000	40000	-07			
Mar 4800.00	1	40100	40100	-07			
Mar 4850.00	1	40200	40200	-07			
Mar 4900.00	1	40300	40300	-07			
Mar 4950.00	1	40400	40400	-07			
Mar 5000.00	1	40500	40500	-07			
Mar 5050.00	1	40600	40600	-07			
Mar 5100.00	1	40700	40700	-07			
Mar 5150.00	1	40800	40800	-07			
Mar 5200.00	1	40900	40900	-07			
Mar 5250.00	1	41000	41000	-07			
Mar 5300.00	1	41100	41100	-07			
Mar 5350.00	1	41200	41200	-07			
Mar 5400.00	1	41300	41300	-07			
Mar 5450.00	1	41400	41400	-07			
Mar 5500.00	1	41500	41500	-07			
Mar 5550.00	1	41600	41600	-07			
Mar 5600.00	1	41700	41700	-07			
Mar 5650.00	1	41800	41800	-07			
Mar 5700.00	1	41900	41900	-07			
Mar 5750.00	1	42000	42000	-07			
Mar 5800.00	1	42100	42100	-07			
Mar 5850.00	1	42200	42200	-07			
Mar 5900.00	1	42300	42300	-07			
Mar 5950.00	1	42400	42400	-07			
Mar 6000.00	1	42500	42500	-07			
Mar 6050.00	1	42600	42600	-07			
Mar 6100.00	1	42700	42700	-07			
Mar 6150.00	1	42800	42800	-07			
Mar 6200.00	1	42900	42900	-07			
Mar 6250.00	1	43000	43000	-07			
Mar 6300.00	1	43100	43100	-07			
Mar 6350.00	1	43200	43200	-07			
Mar 6400.00	1	43300	43300	-07			
Mar 6450.00	1	43400	43400	-07			
Mar 6500.00	1	43500	43500	-07			
Mar 6550.00	1	43600	43600	-07			
Mar 6600.00	1	43700	43700	-07			
Mar 6650.00	1	43800	43800	-07			
Mar 6700.00	1	43900	43900	-07			
Mar 6750.00	1	44000	44000	-07			
Mar 6800.00	1	44100	44100	-07			
Mar 6850.00	1	44200	44200	-07			
Mar 6900.00	1	44300	44300	-07			
Mar 6950.00	1	44400	44400	-07			
Mar 7000.00	1	44500	44500	-07			
Mar 7050.00	1	44600	44600	-07			
Mar 7100.00	1	44700	44700	-07			
Mar 7150.00	1	44800	44800	-07			
Mar 7200.00	1	44900	44900	-07			
Mar 7250.00	1	45000	45000	-07			
Mar 7300.00	1	45100	45100	-07			
Mar 7350.00	1	45200	45200	-07			
Mar 7400.00	1	45300	45300	-07			
Mar 7450.00	1	45400	45400	-07			
Mar 7500.00	1	45500	45500	-07			
Mar 7550.00	1	45600	45600	-07			
Mar 7600.00	1	45700	45700	-07			
Mar 7650.00	1	45800	45800	-07			
Mar 7700.00	1	45900	45900	-07			
Mar 7750.00	1	46000	46000	-07			
Mar 7800.00	1	46100	46100	-07			
Mar 7850.00	1	46200	46200	-07			
Mar 7900.00	1	46300	46300	-07			
Mar 7950.00	1	46400	46400	-07			
Mar 8000.00	1	46500	46500	-07			
Mar 8050.00	1	46600	46600	-07			
Mar 8100.00	1	46700	46700	-07			
Mar 8150.00	1	46800	46800	-07			
Mar 8200.00	1	46900	46900	-07			
Mar 8250.00	1	47000	47000	-07			
Mar 8300.00	1	47100	47100	-07			
Mar 8350.00	1	47200	47200	-07			
Mar 8400.00	1	47300	47300	-07			
Mar 8450.00	1	47400	47400	-07			
Mar 8500.00	1	47500	47500	-07			
Mar 8550.00	1	47600	47600	-07			
Mar 8600.00	1	47700	47700	-07			
Mar 8650.00	1	47800	47800	-07			
Mar 8700.00	1	47900	47900	-07			
Mar 8750.00	1	48000	48000	-07			
Mar 8800.00	1	48100	48100	-07			
Mar 8850.00	1	48200	48200	-07			
Mar 8900.00	1	48300	48300	-07			
Mar 8950.00	1	48400	48400	-07			
Mar 9000.00	1	48500	48500	-07			
Mar 9050.00	1	48600	48600	-07			
Mar 9100.00	1	48700	48700	-07			
Mar 9150.00	1	48800	48800	-07			
Mar 9200.00	1	48900	48900	-07			
Mar 9250.00	1	49000	49000	-07			
Mar 9300.00	1	49100	49100	-07			
Mar 9350.00	1	49200	49200	-07			
Mar 9400.00	1	49300	49300	-07			
Mar 9450.00	1	49400	49400	-07			
Mar 9500.00	1	49500	49500	-07			
Mar 9550.00	1	49600	49600	-07			
Mar 9600.00	1	49700	49700	-07			
Mar 9650.00	1	49800	49800	-07			
Mar 9700.00	1	49900	49900	-07			
Mar 9750.00	1	50000	50000	-07			
Mar 9800.00	1	50100	50100	-07			
Mar 9850.00	1	50200	50200	-07			
Mar 9900.00	1	50300	50300	-07			
Mar 9950.00	1	50400	50400	-07			
Mar 10000.00	1	50500	50500	-07			

Profit-
loss of
the de-
with the
contract
4,300 mt
in more
At the
contract
was 2,200
more 4.25
discount
cash mar-
Dealer
Interest
with profit
in the wa-
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar
Mar

MEDIA - Cont.

[illegible]

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398</
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	--------

[illegible]

151

[illegible]

**BEAT THE INDEX,
CALL TEMPLETON**

Find out how Templeton's cautious
can boost performance. For your fr
Global Events: An Investor's Guide
Years' please call Templeton on 08

Issued in the UK by Templeton Investment Management Limited, 8
100-102 The Principal Investment Building and a member of the
Marketing Group. This performance is not necessarily a guide to fu
Others may fail to well serve, and investors should get the full man

PROPERTY - Cont.

State	Perm	Wk	1086/57	Mkt	Yld	Pct

NY Land S	1732	4	184	118	4.792	4	21.5
Arroyo del Prieta	1742	2	178	148	12.4	40	0

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	------

17.0	22.1	24.4	27.5	30.6	33.7	36.8	39.9	43.0	46.1	49.2	52.3	55.4	58.5	61.6	64.7	67.8	70.9	74.0	77.1	80.2	83.3	86.4	89.5	92.6	95.7	98.8	101.9	105.0	108.1	111.2	114.3	117.4	120.5	123.6	126.7	129.8	132.9	136.0	139.1	142.2	145.3	148.4	151.5	154.6	157.7	160.8	163.9	167.0	170.1	173.2	176.3	179.4	182.5	185.6	188.7	191.8	194.9	198.0	201.1	204.2	207.3	210.4	213.5	216.6	219.7	222.8	225.9	229.0	232.1	235.2	238.3	241.4	244.5	247.6	250.7	253.8	256.9	260.0	263.1	266.2	269.3	272.4	275.5	278.6	281.7	284.8	287.9	291.0	294.1	297.2	300.3	303.4	306.5	309.6	312.7	315.8	318.9	322.0	325.1	328.2	331.3	334.4	337.5	340.6	343.7	346.8	349.9	353.0	356.1	359.2	362.3	365.4	368.5	371.6	374.7	377.8	380.9	384.0	387.1	390.2	393.3	396.4	399.5	402.6	405.7	408.8	411.9	415.0	418.1	421.2	424.3	427.4	430.5	433.6	436.7	439.8	442.9	446.0	449.1	452.2	455.3	458.4	461.5	464.6	467.7	470.8	473.9	477.0	480.1	483.2	486.3	489.4	492.5	495.6	498.7	501.8	504.9	508.0	511.1	514.2	517.3	520.4	523.5	526.6	529.7	532.8	535.9	539.0	542.1	545.2	548.3	551.4	554.5	557.6	560.7	563.8	566.9	570.0	573.1	576.2	579.3	582.4	585.5	588.6	591.7	594.8	597.9	601.0	604.1	607.2	610.3	613.4	616.5	619.6	622.7	625.8	628.9	632.0	635.1	638.2	641.3	644.4	647.5	650.6	653.7	656.8	659.9	663.0	666.1	669.2	672.3	675.4	678.5	681.6	684.7	687.8	690.9	694.0	697.1	700.2	703.3	706.4	709.5	712.6	715.7	718.8	721.9	725.0	728.1	731.2	734.3	737.4	740.5	743.6	746.7	749.8	752.9	756.0	759.1	762.2	765.3	768.4	771.5	774.6	777.7	780.8	783.9	787.0	790.1	793.2	796.3	799.4	802.5	805.6	808.7	811.8	814.9	818.0	821.1	824.2	827.3	830.4	833.5	836.6	839.7	842.8	845.9	849.0	852.1	855.2	858.3	861.4	864.5	867.6	870.7	873.8	876.9	880.0	883.1	886.2	889.3	892.4	895.5	898.6	901.7	904.8	907.9	911.0	914.1	917.2	920.3	923.4	926.5	929.6	932.7	935.8	938.9	942.0	945.1	948.2	951.3	954.4	957.5	960.6	963.7	966.8	969.9	973.0	976.1	979.2	982.3	985.4	988.5	991.6	994.7	997.8	1000.9
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	--------

[illegible]**RETAILERS GENERAL - Cont**[illegible]

720 Dm Pl _____ 357 1/2 _____ 361 5

[illegible]

SUPPORT SERVICES

Item	Price	1990
4071	\$100	100
4072	\$100	100
4073	\$100	100
4074	\$100	100
4075	\$100	100
4076	\$100	100
4077	\$100	100
4078	\$100	100
4079	\$100	100
4080	\$100	100
4081	\$100	100
4082	\$100	100
4083	\$100	100
4084	\$100	100
4085	\$100	100
4086	\$100	100
4087	\$100	100
4088	\$100	100
4089	\$100	100
4090	\$100	100
4091	\$100	100
4092	\$100	100
4093	\$100	100
4094	\$100	100
4095	\$100	100
4096	\$100	100
4097	\$100	100
4098	\$100	100
4099	\$100	100
4100	\$100	100
4101	\$100	100
4102	\$100	100
4103	\$100	100
4104	\$100	100
4105	\$100	100
4106	\$100	100
4107	\$100	100
4108	\$100	100
4109	\$100	100
4110	\$100	100
4111	\$100	100
4112	\$100	100
4113	\$100	100
4114	\$100	100
4115	\$100	100
4116	\$100	100
4117	\$100	100
4118	\$100	100
4119	\$100	100
4120	\$100	100
4121	\$100	100
4122	\$100	100
4123	\$100	100
4124	\$100	100
4125	\$100	100
4126	\$100	100
4127	\$100	100
4128	\$100	100
4129	\$100	100
4130	\$100	100
4131	\$100	100
4132	\$100	100
4133	\$100	100
4134	\$100	100
4135	\$100	100
4136	\$100	100
4137	\$100	100
4138	\$100	100
4139	\$100	100
4140	\$100	100
4141	\$100	100
4142	\$100	100
4143	\$100	100
4144	\$100	100
4145	\$100	100
4146	\$100	100
4147	\$100	100
4148	\$100	100
4149	\$100	100
4150	\$100	100
4151	\$100	100
4152	\$100	100
4153	\$100	100
4154	\$100	100
4155	\$100	100
4156	\$100	100
4157	\$100	100
4158	\$100	100
4159	\$100	100
4160	\$100	100
4161	\$100	100
4162	\$100	100
4163	\$100	100
4164	\$100	100
4165	\$100	100
4166	\$100	100
4167	\$100	100
4168	\$100	100
4169	\$100	100
4170	\$100	100
4171	\$100	100
4172	\$100	100
4173	\$100	100
4174	\$100	100
4175	\$100	100
4176	\$100	100
4177	\$100	100
4178	\$100	100
4179	\$100	100
4180	\$100	100
4181	\$100	100
4182	\$100	100
4183	\$100	100
4184	\$100	100
4185	\$100	100
4186	\$100	

Layer-Scan_____ 30₂ -1 41

global approach
free copy of "Great
to the Past Forty
00 27 27 28.

Continental by
Continental
Continental

Templ

SUPPORT SERVICES - Cont

[illegible]

Waste Recycling	205	-12	207
Waste Management	205	-12	207

[illegible]

References

[illegible]

THE CHAIR

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	207																													

AMERICANS					
	Notes	Price \$	±	1996/97	the
			High	New	Cost/100
At 101 US\$		27.00			27.00
At 100 US\$		27.00			27.00
At 99 US\$		27.00			27.00
At 98 US\$		27.00			27.00
At 97 US\$		27.00			27.00
At 96 US\$		27.00			27.00
At 95 US\$		27.00			27.00
At 94 US\$		27.00			27.00
At 93 US\$		27.00			27.00
At 92 US\$		27.00			27.00
At 91 US\$		27.00			27.00
At 90 US\$		27.00			27.00
At 89 US\$		27.00			27.00
At 88 US\$		27.00			27.00
At 87 US\$		27.00			27.00
At 86 US\$		27.00			27.00
At 85 US\$		27.00			27.00
At 84 US\$		27.00			27.00
At 83 US\$		27.00			27.00
At 82 US\$		27.00			27.00
At 81 US\$		27.00			27.00
At 80 US\$		27.00			27.00
At 79 US\$		27.00			27.00
At 78 US\$		27.00			27.00
At 77 US\$		27.00			27.00
At 76 US\$		27.00			27.00
At 75 US\$		27.00			27.00
At 74 US\$		27.00			27.00
At 73 US\$		27.00			27.00
At 72 US\$		27.00			27.00
At 71 US\$		27.00			27.00
At 70 US\$		27.00			27.00
At 69 US\$		27.00			27.00
At 68 US\$		27.00			27.00
At 67 US\$		27.00			27.00
At 66 US\$		27.00			27.00
At 65 US\$		27.00			27.00
At 64 US\$		27.00			27.00
At 63 US\$		27.00			27.00
At 62 US\$		27.00			27.00
At 61 US\$		27.00			27.00
At 60 US\$		27.00			27.00
At 59 US\$		27.00			27.00
At 58 US\$		27.00			27.00
At 57 US\$		27.00			27.00
At 56 US\$		27.00			27.00
At 55 US\$		27.00			27.00
At 54 US\$		27.00			27.00
At 53 US\$		27.00			27.00
At 52 US\$		27.00			27.00
At 51 US\$		27.00			27.00
At 50 US\$		27.00			27.00
At 49 US\$		27.00			27.00
At 48 US\$		27.00			27.00
At 47 US\$		27.00			27.00
At 46 US\$		27.00			27.00
At 45 US\$		27.00			27.00
At 44 US\$		27.00			27.00
At 43 US\$		27.00			27.00
At 42 US\$		27.00			27.00
At 41 US\$		27.00			27.00
At 40 US\$		27.00			27.00
At 39 US\$		27.00			27.00
At 38 US\$		27.00			27.00
At 37 US\$		27.00			27.00
At 36 US\$		27.00			27.00
At 35 US\$		27.00			27.00
At 34 US\$		27.00			27.00
At 33 US\$		27.00			27.00
At 32 US\$		27.00			27.00
At 31 US\$		27.00			27.00
At 30 US\$		27.00			27.00
At 29 US\$		27.00			27.00
At 28 US\$		27.00			27.00
At 27 US\$		27.00			27.00
At 26 US\$		27.00			27.00
At 25 US\$		27.00			27.00
At 24 US\$		27.00			27.00
At 23 US\$		27.00			27.00
At 22 US\$		27.00			27.00
At 21 US\$		27.00			27.00
At 20 US\$		27.00			27.00
At 19 US\$		27.00			27.00
At 18 US\$		27.00			27.00
At 17 US\$		27.00			27.00
At 16 US\$		27.00			27.00
At 15 US\$		27.00			27.00
At 14 US\$		27.00			27.00
At 13 US\$		27.00			27.00
At 12 US\$		27.00			27.00
At 11 US\$		27.00			27.00
At 10 US\$		27.00			27.00
At 9 US\$		27.00			27.00
At 8 US\$		27.00			27.00
At 7 US\$		27.00			27.00
At 6 US\$		27.00			27.00
At 5 US\$		27.00			27.00
At 4 US\$		27.00			27.00
At 3 US\$		27.00			27.00
At 2 US\$		27.00			27.00
At 1 US\$		27.00			27.00
At 0 US\$		27.00			27.00
At -1 US\$		27.00			27.00
At -2 US\$		27.00			27.00
At -3 US\$		27.00			27.00
At -4 US\$		27.00			27.00
At -5 US\$		27.00			27.00
At -6 US\$		27.00			27.00
At -7 US\$		27.00			27.00
At -8 US\$		27.00			27.00
At -9 US\$		27.00			27.00
At -10 US\$		27.00			27.00
At -11 US\$		27.00			27.00
At -12 US\$		27.00			27.00
At -13 US\$		27.00			27.00
At -14 US\$		27.00			27.00
At -15 US\$		27.00			27.00
At -16 US\$		27.00			27.00
At -17 US\$		27.00			27.00
At -18 US\$		27.00			27.00
At -19 US\$		27.00			27.00
At -20 US\$		27.00			27.00
At -21 US\$		27.00			27.00
At -22 US\$		27.00			27.00
At -23 US\$		27.00			27.00
At -24 US\$		27.00			27.00
At -25 US\$		27.00			27.00
At -26 US\$		27.00			27.00
At -27 US\$		27.00			27.00
At -28 US\$		27.00			27.00
At -29 US\$		27.00			27.00
At -30 US\$		27.00			27.00
At -31 US\$		27.00			27.00
At -32 US\$		27.00			27.00
At -33 US\$		27.00			27.00
At -34 US\$		27.00			27.00
At -35 US\$		27.00			27.00
At -36 US\$		27.00			27.00
At -37 US\$		27.00			27.00
At -38 US\$		27.00			27.00
At -39 US\$		27.00			27.00
At -40 US\$		27.00			27.00
At -41 US\$		27.00			27.00
At -42 US\$		27.00			27.00
At -43 US\$		27.00			27.00
At -44 US\$		27.00			27.00
At -45 US\$		27.00			27.00
At -46 US\$		27.00			27.00
At -47 US\$		27.00			27.00
At -48 US\$		27.00			27.00
At -49 US\$		27.00			27.00
At -50 US\$		27.00			27.00
At -51 US\$		27.00			27.00
At -52 US\$		27.00			27.00
At -53 US\$		27.00			27.00
At -54 US\$		27.00			27.00
At -55 US\$		27.00			27.00
At -56 US\$		27.00			27.00
At -57 US\$		27.00			27.00
At -58 US\$		27.00			27.00
At -59 US\$		27.00			27.00
At -60 US\$		27.00			27.00
At -61 US\$		27.00			27.00
At -62 US\$		27.00			27.00
At -63 US\$		27.00			27.00
At -64 US\$		27.00			27.00
At -65 US\$		27.00			27.00
At -66 US\$		27.00			27.00
At -67 US\$		27.00			27.00
At -68 US\$		27.00			27.00
At -69 US\$		27.00			27.00
At -70 US\$		27.00			27.00
At -71 US\$		27.00			27.00
At -72 US\$		27.00			27.00
At -73 US\$		27.00			27.00
At -74 US\$		27.00			27.00
At -75 US\$		27.00			27.00
At -76 US\$		27.00			27.00
At -77 US\$		27.00			27.00
At -78 US\$		27.00			27.00
At -79 US\$		27.00			27.00
At -80 US\$		27.00			27.00
At -81 US\$		27.00			27.00
At -82 US\$		27.00			27.00
At -83 US\$		27.00			27.00
At -84 US\$		27.00			27.00
At -85 US\$		27.00			27.00
At -86 US\$		27.00			27.00
At -87 US\$		27.00			27.00
At -88 US\$		27.00			27.00
At -89 US\$		27.00			27.00
At -90 US\$		27.00			27.00
At -91 US\$		27.00			27.00
At -92 US\$		27.00			27.00
At -93 US\$		27.00			27.00
At -94 US\$		27.00			27.00
At -95 US\$		27.00			27.00
At -96 US\$		27.00			27.00
At -97 US\$		27.00			27.00
At -98 US\$		27.00			27.00
At -99 US\$		27.00			27.00
At -100 US\$		27.00			27.00
At -101 US\$		27.00			27.00
At -102 US\$		27.00			27.00
At -103 US\$		27.00			27.00
At -104 US\$		27.00			27.00
At -105 US\$		27.00			27.00
At -106 US\$		27.00			27.00
At -107 US\$		27.00			27.00
At -108 US\$		27.00			27.00
At -109 US\$		27.00			27.00
At -110 US\$		27.00			27.00
At -111 US\$		27.00			27.00
At -112 US\$		27.00			27.00
At -113 US\$		27.00			27.00
At -114 US\$		27.00			27.00
At -115 US\$		27.00			27.00
At -116 US\$		27.00			27.00
At -117 US\$		27.00			27.00
At -118 US\$		27.00			27.00
At -119 US\$		27.00			27.00
At -120 US\$		27.00			27.00
At -121 US\$		27.00			27.00
At -122 US\$		27.00			27.00
At -123 US\$		27.00			27.00
At -124 US\$		27.00			27.00
At -125 US\$		27.00			27.00
At -126 US\$		27.00			27.00
At -127 US\$		27.00			27.00
At -128 US\$		27.00			27.00
At -129 US\$		27.00			27.00
At -130 US\$		27.00			27.00
At -131 US\$		27.00			27.00
At -132 US\$		27.00			27.00
At -133 US\$		27.00			27.00
At -134 US\$		27.00			27.00
At -135 US\$		27.00			27.00
At -136 US\$		27.00			27.00
At -137 US\$		27.00			27.00
At -138 US\$		27.00			27.00
At -139 US\$		27.00			27.00
At -140 US\$		27.00			27.00
At -141 US\$		27.00			27.00
At -142 US\$		27.00			27.00
At -143 US\$		27.00			27.00
At -144 US\$		27.00			27.00
At -145 US\$		27.00			27.00
At -146 US\$		27.00			27.00
At -147 US\$		27.00			27.00
At -148 US\$		27.00			27.00
At -149 US\$		27.00			27.00
At -150 US\$		27.00			27.00
At -151 US\$		27.00			27.00
At -152 US\$		27.00			27.00
At -153 US\$		27.00			27.00
At -154 US\$		27.00			27.00
At -155 US\$		27.00			27.00
At -156 US\$		27.00			27.00
At -157 US\$		27.00			27.00
At -158 US\$		27.00			27.00
At -159 US\$		27.			

4pc Dab _____
Extra Bag _____
Full Can CS _____

[illegible][illegible]

GUIDE TO LONDON SHARE SERVICE

Prices for the London Share Service are delivered by Easist, part of Financial Times Information.

Company classifications are based on those used for the FTSE Actuaries Share Indices

Closing mid-prices are shown in pence unless otherwise stated. Highs and lows are based on intra-day mid-prices.

Where stocks are denominated in currencies other than sterling, this is indicated after the name. Prices shown for some of these currencies are based on rates quoted by sterling from latest available local Stock Exchange prices.

Symbols referring to dividend dates appear in the notes: column daily as a guide to yields and P/E ratios. Dividends and Dividend covers are published on Monday

Market capitalisation shown is calculated separately for each line of stock quoted.

[illegible]

This service is available to companies whose shares are regularly traded in the United Kingdom for a fee of £1425 a

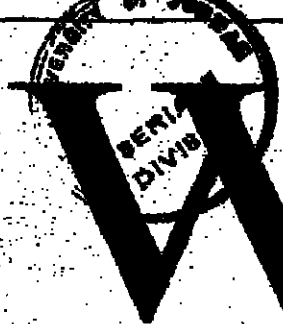
you for each security shown, subject to the Editor's discretion.

§ FT Free Annual Reports Service
You can obtain the current annual interim report of any company annotated with § . Please quote the code FT82825. Ring 0181 770 0770 (open 24 hours including weekends) or Fax 0181 770 3622. Reports will be sent the next working day.

§ FT Company Focus / Focus Plus
Comprehensive 10-18 page report available on this company, containing key news stories from the last year, latest survey of City profit forecasts and investment recommendations, 5 year financial and share price performance review, balance sheet and profit and loss data, plus stock price announcements.
Company Focus (FT news) £8.45.
Focus Plus (FT and Investors Chronicle news) £10.95.
To order, call 0121 200 4878.
Reports published by ShareFinder Ltd.

FT Cityline
From 10p-to-the-second share prices are available by phone from the FT Cityline service. See Monday's share price pages for details.
Calls charged at 45p per minute cheap rate and 50p per minute at all other times.
An international service is available for callers outside the UK, service subscription £250 stip.
Call 0171 873 4378 for more information on FT Cityline.

The share prices printed on these pages are as at:



Weekend FT

THIS WEEK'S CONTENTS



Page XII-XIV Travel

The good old days beckon

'Beirut is locked in my memory as one of the most exotic places I have visited. But what a difference a decade can make.'



Page III Pizza with the FT
Russia's top liberal hits the Hut

'There was a queue. I told the manager that Mr Yavlinsky would like a table and could not possibly be made to wait outside.'



Page XI Food and drink
The promise of spring

'In keeping with this optimistic mood for March, my first choice of fish is diver-caught scallops, those elegant pearls of the sea.'

Page V-VI Books
Mistress of character assassination

'Mia Farrow even itemises her own frenzies - such as sending Woody a Valentine card of herself and the children impaled with knives.'

Page III Joe Rogaly
Banana security

'The snag with free trade in bananas is that farmers in the Caribbean would be ruined. They might cultivate cocaine instead.'

Arts	VII, VIII	Motoring	XVIII
Arts Guide	XXIX	Perspectives	II-IV
Books	V, VI	Property	XVI, XVII
Bridge, Chess, Crossword	XXIX	Joe Rogaly	III
Fashion	XXIX	Science	II
Food & Drink	XI	Small Businesses	II
Gardening	XVII	Sport	XVII
How To Spend It	IX	Travel	XII-XIV
Lunch with the FT	III	Weekend Investor	XXI, XXII

Inside the head, Page VI

The unsolved case of the old grey matter

How the brain works remains a mystery. But there is a trail of clues. Andrew Derrington follows it

In the search to understand ourselves, we have sliced the brain, we have attached electrodes to it, injected chemicals, and selectively injured the grey matter. Our ancestors, 5,000 years ago, drilled holes into the skull in the earliest form of brain surgery - the available evidence suggests the patients were alive and lived long enough for the skull to heal. Without the patient notes, we cannot tell precisely how far we have come in the last five millennia, but in the age of cloning, we are still far from comprehending our brain. We have left behind the moribund theories of head hunters and Aristotle's hunch that the brain cooled the blood, but each year brings new theories and remedies, and reminders that the mystery remains.

Santiago Ramón y Cajal, a turn-of-the-century Spanish scientist, explained the significance of the search: "As long as our brain is a mystery, the universe - the reflection of the brain's structure - will also be a mystery." There are also more prosaic issues at stake. A meeting at the Wellcome Trust last week, which was held to prepare for neuroscience research in the next millennium, heard that brain-related illnesses in the UK are the second biggest category of National Health Service spending and account for about 15 per cent of drug spending in the industrialised countries.

The World Health Organisation predicts that severe depression, which in 1990 was fourth in the world-wide league table of causes of disability, will rise to second place by 2020. In the past year, popular fears about the fate of the brain have been stirred by the sight of "Mad Cows", the violently shaking animals hardly able to stand in their pens, and by television graphics, with shaded areas showing the parts affected by Creutzfeldt-Jakob disease.

And with the brain, comes difficult moral issues. The most recent investigation is done in the heads of the living. As we are still grasping for clues, how much should we experiment with intrusive surgery or prototype drugs? Was it by design that the brain is so difficult to study?

We know that the Greeks were on the right track, though not unanimously so. Hippocrates identified the brain as the seat of thought, sensation and emotions, but claimed that not all would be subject to him as "life is short" and "the art is long".

they mean. This, in turn, tells us how neurons process and store information. These clues lead us to tracing the connections that allow us to follow information through the brain. But there the trail stops - we cannot do such detailed experiments on humans. And however good the experiments on animals are, they only tell us about animal brains.

So we need new leads. One technique that works well for animal and for human brains is to measure how well intact and damaged brains work. Different parts of the brain have different jobs. The first suggestion that this might be the case came at the beginning of last century from the Austrian physician Franz Josef Gall, discredited in the late 20th century by his association with phrenology.

Gall noticed that his intelligent friends tended to have large foreheads. He surmised that enlargement of the front part of the skull occurred because the part of the brain underneath it was responsible for intelligence. He thought a well-exercised area of the brain would swell, and cause a bump on the surface of the skull. He catalogued a range of mental functions - including such abstract properties as secretiveness, generosity and affection - and their corresponding skull bumps.

The catalogues were a complete red herring. But he was right in thinking that different parts of the brain have different jobs - damage to certain parts of the brain produces varying effects on its abilities. And this led to a new line of inquiry.

One celebrated case was Phineas Gage who, in 1848, accidentally caused an explosion that sent an iron bar through the front of his head. Gage recovered, but his personality was radically changed. Before the accident he had a reputation for being a "very sensible and

Gage had suffered damage to the frontal lobes of his brain. A century later, Egas Moniz received the Nobel prize for developing the technique of surgically destroying parts of the frontal lobes in order to treat depression and neuroses. But it eventually became clear that the side-effects of the lobotomy, similar to those suffered by Gage, were often worse than the original illness. The image of the lobotomy has never recovered from *One Flew Over the Cuckoo's Nest*, the mid-1970s asylum film by Jack Nicholson was lobotomised and emaciated.

Strokes and gunshot wounds have provided more clues. Even small areas of

While such diagnoses might be accurate and reliable, they are based on supposition. The route to the proof is again blocked because conventional X-rays do not reveal brain damage. Different types of brain tissue block X-rays to very similar extents, so they leave no picture.

To try to unravel the mystery of the brain, various sleuthing aids have been devised. A pneumoencephalogram, made by injecting air into the cavities in the brain, can reveal their shape. An angiogram shows up the blood vessels by injecting into the bloodstream a dye that blocks X-rays just before taking the picture.

But again there are drawbacks. Angiograms and pneumoencephalograms are unpleasant and may be dangerous for the patient, says David Brooks, a neurologist who does research on brain scanning at Hammersmith Hospital.

The clearest pictures are now produced by magnetic resonance imaging (MRI) which does not use X-rays, but magnetic fields and radio waves to show differences between water and fat.

MRI machines make a picture of the brain by placing it in a strong magnetic field that differs in strength at different points inside the head. The strength of the radio signal at each frequency can be converted into a picture of the layout of fat and water inside the head - which shows the structures of the brain very clearly.

But here again, the vital clue is just out of reach. For when the brain is damaged, the jobs done by the missing bits may be taken over by other parts. So even the clearest scan of the brain's structures still doesn't tell you how it is working.

But positron emission tomography (PET) does. Here, radioactive atoms that emit positrons (which have a charge the same as an elec-

are used as "food" by the working brain. The radioactive chemicals produced are then injected into the blood.

The PET scanner identifies which bits of the brain are working hard at any given time by simply counting the gamma rays coming out of the head and back-tracking along the path of each gamma ray to see which part of the brain it came from.

But where do you find the radioactive atoms you need for a PET scan? They have to be produced in a cyclotron and then used quickly before they decay. "You have to make your molecules and get them from the cyclotron to the patients within an hour," says David Nutt, a psychiatrist from Bristol who does research at Hammersmith.

Most drugs used to treat the brain work by altering the chemical signals that are sent or received. Nutt uses molecules that probe these chemical messenger systems of the brain when taking PET scans of patients with different disorders.

He has just shown that the brains of people who suffer from anxiety attacks have fewer of the type of receptors that are affected by benzodiazepine drugs. This suggests they are less likely to be able to keep calm under stress because they have a reduced capacity to respond to the relevant signals.

PET scans are also providing new and more efficient ways of detecting diseases in people who are known to be susceptible.

Brooks has found that Parkinson's disease can be detected about six years before the appearance of any clinical signs by doing PET scans using a chemical called fluorodopa, which tests whether the neurones damaged by the disease are still sending out their chemical messengers. He has used the same technique to see what happens to Parkinson's disease patients successfully treated with grafts of brain tissue.

PET scans can also use less specific markers that show how much energy is being taken up in the brain, or how much blood is flowing. A variant of the MRI scan known as fMRI can also be used to detect blood oxygen. By comparing scans made when subjects are doing tasks, such as remembering words, with those made when they are resting, researchers can work out which areas of the brain are used in those tasks.

But far from reaching a dramatic denouement concerning the mysteries of the brain, the thriller remains unresolved. While many brain scientists are very excited at the pictures of different brain areas "lighting up" as people perform different tasks, others are less sure. They are worried that the huge investment in scanning is disavantaged less glamorous areas of fundamental neuroscience that are likely to be more productive in the long term.

Malcolm Young, professor of psychology at Newcastle, is one of them. "The problem with human brain imaging is that you don't know what the signal means, and even if you did, you don't know enough about the wiring of the brain to interpret it." So new imaging technol-

works. There is no doubt, however, they are useful when clinicians want to know how it is working. But "clinical acumen still counts for a lot", says Brooks.

Ward agrees: "The downside of imaging is that you can get too hung up on your beautiful scan. If you scan the wrong bit of the brain you might get a clear scan even though the patient has a problem."

In the 30 years since their introduction, PET scans have revolutionised the ability of clinicians to monitor brain disease. They are routinely used to look inside the skull to show which parts of the brain are malfunctioning and to find vital sections - such as the speech centre - that must, at all costs, be spared by surgery to remove damaged tissue.

For scientists, the PET scanner is tantalising. It tells us which parts of the brain do what jobs, but it does not tell us how. To know that, we will probably have to combine PET scans with the more precise, but intrusive, experimental techniques we can use on animals - or wait for new technology as yet undreamt of.

For now, the little grey cells remain beyond the understanding of modern researchers, who are a cross between Hippocrates and Hercule Poirot.

Inside the head, Page VI

Jermyn Street quality at affordable prices

JAMES MEADE LIMITED

Our 32 page *Men's Classics* catalogue is filled with items of clothing that are superior in quality, value and style. We use the finest fabrics and workmanship the world can offer and our attention to detail is impeccable.

Yet, despite all this, you do not have to pay Jermyn Street prices. By dealing direct, we avoid London's expensive West End overheads and pass the benefit on to you in the form of affordable prices. And to make the value even more irresistible, as a special introductory offer, I have deducted 10% from the current catalogue prices.

Featured here are some of the many items contained in our *Spring and Summer Classics* catalogue. Our cotton shirts are made from pure two-fold 100s and 140s cotton poplin, fabrics chosen by the world's most famous shirtmakers. Its rich lustre and silken feel make it cool and comfortable to wear all year round. And by offering a choice of up to 7 sleeve lengths we ensure that your shirts fit you perfectly. This, combined with generous cut, the longest tails you will find and superb finishing, brings you a shirt which will rival the finest made-to-measure shirt you can buy anywhere.

Whether it be shirts, knitwear including luxurious two-ply Scottish Cashmere, trousers, jackets, suits, nightwear or accessories that you are looking for, it is all here in *Men's Classics* and all made from the very finest materials. Every item is backed by our guarantee of your satisfaction. So don't delay, order your FREE catalogue today, to take advantage of our introductory offer.

☎ 01264 333222

Simply complete this coupon and send it to: James Meade Limited, FREEPOST (SNI176), Andover, Hampshire, SP10 3BR, and we will send you your FREE copy of *Men's Classics*. Or telephone us on 01264 333222 quoting reference

BMFTBR, or fax this coupon to us on 01264 363286 today to take advantage of our special introductory offer.

Name _____
Address _____
Postcode _____
Tel No _____

If you do not wish to receive direct mail from other



Classic short-sleeved shirt



Coat of wool, linen and silk

PERSPECTIVES



Rosevita and Gary Bles: 'Those who are content to stand still go to the wall'

The Nature of Things Curiosities on the tip of the tongue

Clive Cookson takes the taste test and finds it's not so bad to be a non-taster after all

The world can be divided into "super-tasters, normal tasters and non-tasters" by a simple test. Imagine that you are about to take the test - into which gustatory category do you hope to fall?

I was in that position last week when Linda Bartoshuk, a taste researcher at Yale University, held a mass-testing session at the American Association for the Advancement of Science meeting in Seattle. In a spirit of naive competitiveness, I wanted to be a super-taster.

Bartoshuk gave everyone in the audience an identical paper disc to taste. Some people spluttered in horror at the intense bitterness as soon as the paper touched their tongue: most spat it out quickly, and the remainder - including a disappointed me - chomped thoughtfully, savouring the blotting paper flavours.

The discs had been treated with a synthetic chemical called 6-n-propylthiouracil, or Prop for short, which happens to be an extremely sensitive indicator of inherited variations in the overall sense of taste.

Super-tasters are overpowered by Prop's bitterness. Normal tasters find it unpleasant but just tolerable. Non-tasters cannot detect it at all.

Bartoshuk and other researchers, including Adam Drewnowski of the University of Michigan and Valerie Duffy of the University of Connecticut, have shown recently that the Prop test reveals far more than sensitivity to one obscure chemical. It indicates the overall state of an individual's sense of taste.

Although super-tasters are especially sensitive to bitterness, extensive testing has shown that they also react more strongly than non-tasters to the other three tastes (sweet, sour and salty), to spicy foods and to the texture of oils and fats in the mouth.

The variability of human responses to certain bitter chemicals was discovered in 1931 when Arthur Fox, a

DuPont researcher, accidentally released a newly synthesised compound called phenylthiocarbamide into the air in his laboratory.

A colleague remarked on its bitterness, while Fox could taste nothing. Intrigued, he carried out tests at scientific meetings, which showed that three-quarters of people could taste the chemical.

But the phenomenon was regarded as a scientific curiosity, of limited applicability, until about 10 years ago when Bartoshuk's research group at Yale started systematic evaluation of Prop. They were the first to draw a distinction between normal tasters (about half the population) and super-tasters (one-quarter). (Non-tasters make up the remaining quarter.)

At the same time, family

**Women
super-tasters
tend to avoid
fruit and
vegetables
because they
find them
too sharp**

studies suggested a genetic basis for Prop tasting. An early explanatory model assumed that the tasting gene had two forms, "on" and "off". Everyone inherits two copies of the gene, one from each parent. Two "off" genes would make you a non-taster, two "on"s a super-taster, and one of each a normal taster.

In fact there are probably more than two forms of the gene, and environmental influences also play a part in determining taste sensitivity. For example, more women than men are super-tasters, perhaps because the female sex hormone oestrogen interacts with the taste receptor proteins.

Super-tasters have many more taste buds than non-tasters - up to 100 times

more - while normal tasters have an intermediate number.

It is easy to demonstrate these differences by staining people's tongues with a blue dye and examining them with a magnifying glass. The fungiform papillae (mushroom-shaped protuberances that bear taste buds) show up pink against the blue background.

A super-taster's tongue looks as though it is closely tiled with pink, while non-taster's looks polka-dotted," says Bartoshuk.

Scientists are beginning to relate taste sensitivity to diet and health. For example, super-tasters are far less likely than a non-taster like me to drink coffee black and unsweetened, because they need milk and sugar to cover up the bitterness of the drink.

More seriously, Drewnowski has found that women super-tasters tend to avoid fruit and vegetables that are important for preventing cancer - including broccoli and Brussels sprouts, grapefruit and various berries and root vegetables - because they find them too sharp or bitter.

Drewnowski's comments at the Seattle conference made me reflect on the downside to super-tasting. And I came to realise that my initial disappointment at being a non-taster was wrong.

After all, the taste of sense in the mouth just contributes part of the overall sensation of flavour when you eat or drink. It's the crude part, too. All the subtleties come from the aromas that you pick up in olfactory receptors at the back of the nose.

There is no evidence that the sense of smell, as opposed to taste, is linked in any way to Prop sensitivity. Perhaps the ideal gastronomic combination would be a non-taster with a powerful sense of smell, to savour the myriad of subtle flavours of food and wine without being distracted excessively by the four vulgar tastes of bitter and sweet, sour and salty.

Minding Your Own Business

Next step in the rag trade

Clive Fewins meets a clothes manufacturer keen to expand but reluctant to yield control

Fired by her love of textiles Rosevita Bles started a small business from her home in Oxfordshire 12 years ago, acting as agent for a number of manufacturers of woollen Loden cloth in her native Austria.

Her British Army officer husband Gary, who had then recently retired from the Black Watch and retained as a furniture maker, soon realised that his fledgling business would not support them and their two children, so he mothballed his tools and joined his wife.

In 1988, they moved to a hilltop house in rural Herefordshire and relaunched Rosevita's business as Alpine Design, a small-scale manufacturer of Austrian-style ladies' wear using traditional Austrian materials. Somewhat to their surprise it has supported them ever since. However, they now face difficult decisions over expansion.

In a large workshop in the garden, the Bleses and a team of six part-time seamstresses work on eight classic designs of waistcoat, jackets, skirts, short coats and hats. All have a distinctly Austrian flavour with the Rosevita Bles label inside.

Before the move to Herefordshire profits were minimal. This was largely due to the weak trading of the pound against the D-mark and the Austrian schilling, lifting the cost of importing

materials and in turn increasing the Bles's prices. Inevitably British demand for the more expensive clothes dropped dramatically.

However, by 1992, having recruited the first two staff, the Bleses were turning over £36,000, with gross profits of £10,000. They doubled both these figures the following year and decided to sell their clothes at up to a dozen outdoor country shows and several autumn charity shows. They also launched a catalogue in 1993. It produces about 15 per cent of sales, which they send by post.

"A full mail order service is not in our sights at present," Rosevita Bles said. "Some of our friends think we are too cautious, but I have seen so many small businesses in the rag trade go under that I am reluctant to undertake any step that would prove very expensive and might not succeed."

The main capital outgoings over the years have been on second-hand small industrial machines to speed up production. These have included machines for braiding - an essential feature of traditional Austrian wear - cutting and sewing. This year's turnover is likely to be a record £104,000, with a gross profit of about £29,500.

The Bleses are reasonably satisfied with these figures

but concede that, for all the work it has involved over eight years, they may have been a little too cautious in their approach.

"It is one thing to survive - perhaps we should congratulate ourselves on that - but sometimes we feel we are stuck," Rosevita says. The big question is whether they should scale

'I should like to even out seasonality and keep my workers occupied throughout the year'

up their activities in the high street. They sell successfully at two well-known retailers, Coocon in Kensington, London, and Edinburgh, and Swansway in Fulham. However, a recent experience with an upmarket retailer, who closed his shop and disappeared with their goods which he had on a sale or return basis, has made them think hard about selling to shops.

"What I want to avoid at all costs is selling to the high street chains," Rosevita

says. "To do that I should have to buy in the services of a cut, make and trim shop and that would mean a huge investment and refinancing to meet the much larger orders."

"It would be very hard to take this course without borrowing, which we have never done, and I believe it would still be very difficult to be competitive."

"However, I should like to supply a few more upmarket shops if I could generate an atmosphere of trust." Behind the desire for a limited expansion is the fact that Alpine Design is running at below capacity. "We are slack in the months January to April, when I work on the new designs. Then we pick up after our annual catalogue launch at the Badminton Horse Trials in early May," Rosevita says.

"I should like to even out this seasonality and keep my six part-time workers more occupied throughout the year."

Rosevita says that retail expansion also brings with it the problem of pricing. "If we sell to more shops we would have to lower our margins to increase volume. Would it be worth it? And would we lose our exclusiveness?"

The Bleses firmly believe, though, that Alpine Design must not stand still. "Customers like the fact

that the designs - but not the classic style of the clothes - change every year," she says. "I have been associated with the rag trade long enough to know that those who are content to stand still go to the wall."

One way to expand while keeping the existing number of outlets would be to extend Alpine's range to young people.

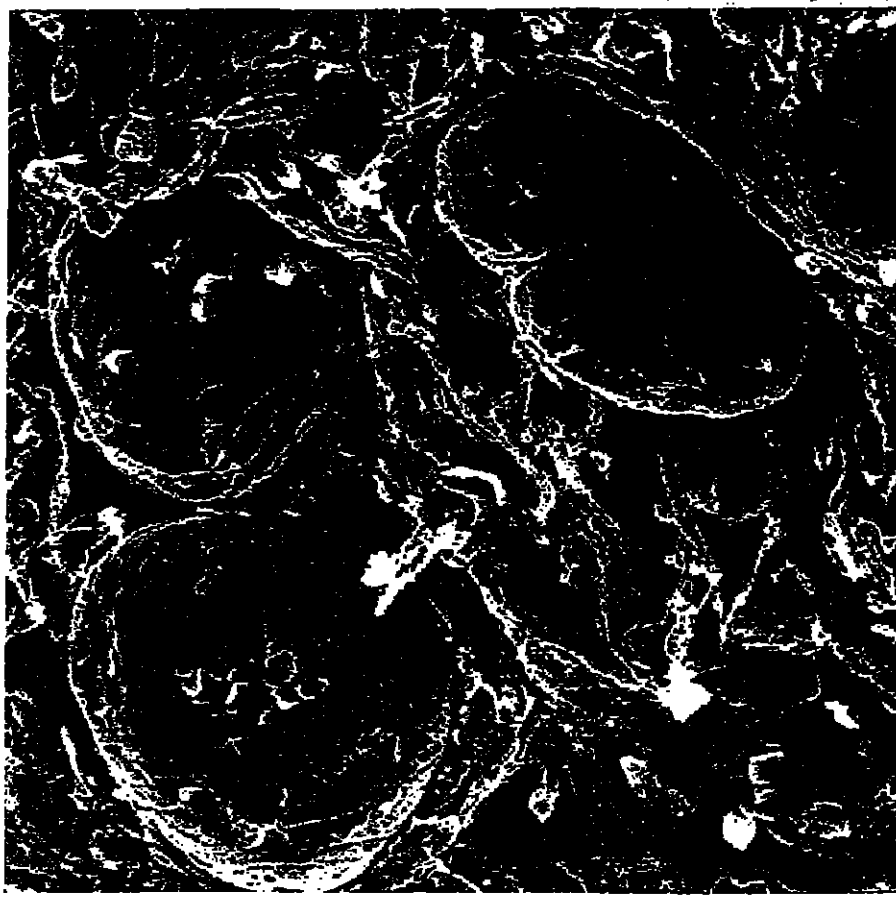
"By and large our clothes appeal to the over-40s. We could expand in a more fashion-conscious way by designing long, narrow pencil skirts and extending our range of hats, for instance. One of the styles has been particularly popular and sold 800 one year - a lot for us," Rosevita said.

Another option for Alpine is to move into lighter weight clothing that would extend the season.

"If I took either of these two courses I should still be able to keep manufacturing under my wing and continue to do most of the cutting myself," she said.

"If we had other people manufacturing for us we would lose control of production and quality and we would have to order far more material at any one time. As it is we have very little wastage. There's very little we produce that we do not manage to sell."

■ Alpine Design, Staunton on Arvon, Leominster, Herefordshire HR6 9LF. Tel: 01544 383259.



Sensitive: fungiform papillae (protuberances that bear taste buds)

The Source Photo Library

Truth of the Matter

The fox, the hunter and their eco-system

Roger Scruton argues that to kill the fox hunt would destroy the social fabric

Most people in Britain live in towns, but the image of our rural life and landscape remains one of the most powerful icons in the national culture. The battle over the environment concerns not only our natural ecology, but also our social ecology, and its ability to maintain itself against the tide of migration caused by the growing incivility of the modern city.

And that is why the question of hunting is so important.

I am an unusual example of a fox-hunting man, though may be no more unusual than Siegfried Sassoon, British poet and author of *Memoirs of a Foxhunting Man*. Most of my life has been that of an urban intellectual, who on the whole prefers books to horses. Those who ride beside me look with tolerant

compassion at this weakness, amazed that a person should have deviated so far from God's purpose as to spend more than an hour a week on Hegel and T.S. Eliot.

Nevertheless, we have something very important in common. Whether farmer, labourer, housewife, businessman or country solicitor, the person who follows hounds is invariably a law-abiding and public-spirited citizen, someone who can be relied upon to give money to local charities, to attend planning inquiries, to worry over conservation and road-building, and to play

his part in sustaining the gatherings and institutions on which country life depends.

All those who hunt in my village attend the local church, participate in the vital social activities which are rooted in the church, and play their part in advising and supporting the local industry - dairy farming. These are not the kind of people that it would be wise or just to alienate, or whose point of view should be brushed aside without a hearing.

A political party (and, of course, I refer to Britain's Labour party) can afford to alienate unpatriotic or

lawless minorities - but not a minority like this one, which forms a pillar of the rural community.

This does not mean that our sport should be automatically endorsed by parliament. If hunting with hounds has become an issue of public concern, then parliament should consider whether to control or forbid it. Most of those who follow hounds would agree with this.

But they would also expect that their case should not be dismissed without a hearing. For they sincerely believe that hunting with hounds is the kindest way to live with the fox population,

which would otherwise be decimated - usually by means, such as trapping or shooting, which involve a far worse death, and which offer no sporting chances to the victim.

Members of the League Against Cruel Sports have often come to the same conclusion, and accepted that hunting with hounds should continue - although not necessarily in its present form.

One of them, Jim Barrington, was, when he came to this conclusion, president of the league,

which promptly expelled him. He joined other victims of the league's policies to set up the Wildlife Network.

One of their aims is to campaign for the right kind of law, in which all interests, human and vulpine, not to mention equine and canine, will be considered. Why, one wonders, does the Labour party listen only to the league - a band which bases its opposition on the exploded philosophy of "animal rights" - and not to the Wildlife Network?

More pertinently, why does the party still seek a "free vote to ban hunting", in its eloquently

self-contradictory phrase? Why not a parliamentary commission, to which all sides could present their case, which would then be followed by a vote?

An impartial survey is what justice and decency demand. Hunt followers would accept the result, even if it goes against them. For they are decent and democratic people. But they will not accept the result of a free vote conducted in a state of sound-bite-muddled ignorance.

The Labour party must ask itself whether it can afford to destroy the lives of people

who are so important not only to the rural community, but to the social fabric as a whole.

And when I say destroy their lives, I mean it. I can go back to my books and give up the country life. But they, upon whose outgoing social energies I so gratefully depend, have no such refuge.

They have built their lives around an unrivalled form of companionship, in which horse, hound and human participate on equal terms.

And in so doing they have endowed the countryside with its most beneficial eco-system. How could they accept to see it destroyed, just because a handful of urban fanatics have refused them a vote?

© Roger Scruton 1997. Reprinted by permission of the author.

John 20150

PERSPECTIVES



Joe Rogaly

Another finger in the banana pie

West Indian growers might be driven to do something dreadful if they can't keep their fruit deals with Europe

Free trade is fine, if you ignore the paupers. To illustrate this principle, which I have just investigated, consider bananas. The European Union regulates their import. Fat and happy fruit eaters in Britain, France and Germany might benefit if it did not. They would enjoy more choice, at lower prices. There is one snag. Small farmers in Caribbean islands would be impoverished. They might cultivate cocaine instead.

This is not a simple matter. You will be aware, as of course was I, that on this planet about 50m tonnes of bananas are picked every year, largely by peasants in poor countries. Most of them are eaten or sold locally. A fifth of the green and yellow mountain is traded on the world

market. That makes bananas one of the big five internationally bought and sold tropical products. The others are coffee, cocoa, sugar and rubber.

The biggest single importer of bananas is the European Union. Germans eat the most. They like the long, thick, dollar bananas from Latin America. The British are accustomed to the shorter Caribbean bunches. I could go on giving you facts about bananas until past bed-time. Many of them come from a recent paper, "The Political Economy of Europe's Banana Trade" by David Hallam and Maurice Peston, published by the University of Reading.

It informs us of the latest stage in the seemingly eternal dispute between dollar banana corporations and the West Indian island-

ers whose plantations are situated somewhere between the drug-producing countries of Latin America and the great coke-smoking state up north. This picture was not put in my head by Dr Hallam and Lord Peston. It comes from a video supplied by a representative of the Caribbean banana exporters.

When people tell you that they may be driven to do something dreadful you have to ask why. The Caribbeans account for 5 per cent of world trade in bananas. They sell all they have to the EU. Their crops are expensive because the steep terrain, ifty soil and hurricane-ridden climate are harder to farm than the flatlands of Latin America.

The islanders would be crushed in open competition. Along with the plantation own-

ers of Jamaica, 25,000 or so small growers working 5-acre and smaller plots on the Windward Isles have long depended on the British willingness to pay dearly for their fruit.

Likewise the French prefer to buy bananas from their former colonies. Produce from historically linked African, Caribbean and Pacific countries therefore comes into Europe duty free. These arrangements were codified in July 1993, when the EU set up a new banana regime. It set a quota for dollar bananas and gave importers an incentive to buy from ACP producers.

Enter big business. The three biggest companies in the banana market are all dollar-based. One estimate suggests that Chiquita, Dole and Del Monte account for nearly two-thirds of the fruit

traded. Mindful of Chiquita, based in Cincinnati, the US has challenged the EU deal. Along with others, it has sued at the court of the World Trade Organisation. The WTO panel is even now deliberating.

Those whose knees jerk as do mine know what to think. Fruit corporations? Dollars? Latin America? Bad. Throw 'em out. There may be something in that old line - there usually is - but there are, as ever, complexities. First, not all the profits from Caribbean bananas go to persons of limited means. Fyffes, the Dublin-based company, dominates the UK market and has a finger in most West Indian banana pies.

A World Bank paper attacking the EU regime argues that only a fraction of the cost of its protec-

tionism reaches the growers. It would be better to open the European market and compensate the islanders with aid. Dr Hallam and Lord Peston demonstrate how difficult this would be in "vulnerable single commodity dependent economies".

In three of the islands, bananas account for a sixth of the gross domestic product. Diversification is not easy. Shipping is geared to bananas; other exports are tucked into spare holds. The effect on their economies of a rapid wind-down of the banana trade would be devastating.

It may not come to that. The end of this story is unlikely to be a sudden catastrophe. There may be a last-minute accommodation before the WTO panel produces its verdict next month. The

organisation would prefer to avoid a clash with either the EU or the US. Its adjudication might not be clear-cut. There will probably be an appeal. The rules provide for further delay after that. The case could be dragged on for a year or two.

Make no mistake, however. Sooner or later the drive to liberalise trade will overwhelm the Caribbeans. They must be enabled to work intensely, and fast, on diversification. The optimum outcome would be a long-term strategy. Over, say, 20 years, new sources of income should be sought for the West Indies with outside assistance. The EU preference system should be wound down equally gradually. The alternative could be another piece of territory handed to the Mob.



The Russian politician, Grigory Yavlinsky: "You know how I wore my hair long for such a long time? That was because of the Beatles"

Pizza with the FT

Russia's top liberal hits the Hut

Over a Supreme crispy thin, Grigory Yavlinsky tells Chrystia Freeland why he has refused a seat at the Kremlin table

At 10pm, in a mad rush, I hopped around my desk, slipping on the London high-heeled shoes I had brought to work for the occasion and cannoning my way through the office. Grigory Yavlinsky, the leader of Yabloko, Russia's largest democratic opposition party, was having supper with the FT and he had just rung up on his mobile phone to say his car was nearby at my doorstep. As I frantically fished among my computer cables for a stray ear-ring, Yavlinsky came striding into the office. I mumbled gushing apologies for the dumpy welcome and began walking out of the door towards his government car and an elegant restaurant of his choosing.

The Kremlin's aide mere, and a vast power-broker in the business community have begun to say could be the next prime minister, stopped me in mid-step. "I'm afraid we'll have to change our plans. I was really hoping I could introduce you to a refined, authentically Russian restaurant, maybe Tsarskaya Okhot, but unfortunately I'm just too busy. I have two more meetings later tonight. Why don't we just have our little chat right here."

For a moment, Russia's leading liberal came peculiarly close to being tripped on one of my specially chosen "high heels". Weeks before, I had painstakingly explained the idea behind Lunch with the FT, a dinner notion in a country where most politicians are regarded from ordinary people and the press by a high barrier of government privilege.

Unfortunately there was a queue. Having apparently adapted its customer service style to the local culture, would-be Pizza Hut diners were made to wait on the sidewalks outdoors, ankle-deep in snow.

Mortified for Yavlinsky's sake, I pushed past the uniformed guard at the door and demanded to speak to the manager, informing her that Grigory Yavlinsky would like a table and could not possibly be made to wait outside.

"Well, he can have the first free table and stand indoors to wait for it, but that's the best I can do. We're absolutely full and you can take a look around if you don't believe me," she replied.

On heading outside to deliver the bad news I discovered that Yavlinsky was having the time of his life. He had been mobbed by a group of delighted Japanese tourists and, with the enthusiasm of a born campaigner, was cheerfully dispensing autographs, posing for snapshots and explaining his political philosophy.

"We watch you often on television," one admirer said in broken Russian. "Tell your friends that some people in Russia are still trying to build a real democracy here." Yavlinsky replied, perhaps shoring up the Tokyo vote.

Eventually, I dragged Yavlinsky away from his fans and we sat down for pizza. I began by asking him why he had chosen to be a principled outsider rather than take a seat at the Kremlin table? Last year, Yavlinsky and his party adamantly refused to join the pro-Yelt-

sions. He and his colleagues were reportedly offered a list of top cabinet positions but turned them down when the president refused to agree to a list of tough conditions, including a purge of corrupt members of the government.

"First of all, you must realise I was born in central Europe, not here," he said, referring to his upbringing in Lviv, the western Ukrainian city where Yavlinsky's family and childhood friends still live. "Lviv is a European city, with European streets and European homes."

Yavlinsky's other epiphanies were the routine stops on the standard Soviet intellectual's Grand Tour towards liberal democracy - reading Alexander Solzhenitsyn's *One Day in the Life of Ivan Denisovich*, about life in Stalin's gulag; the inspirational example of Andrei Sakharov, Russia's most respected dissident; and listening to Radio Liberty behind locked doors and covered windows with his father in the kitchen of the family's Lviv apartment.

This travelogue of the mind was cut short by a demand for our order. We agreed on two beers, two salads and some garlic bread, but Yavlinsky became a little muddled when the waitress asked whether he would like his Supreme pizza to be "deep dish" or "crispy thin". After some explaining, he chose crispy thin and bowed to the waitress's judgment that a large (serves four or five, according to the menu) was a bit much for one person, opting instead for a medium (serves two or three).

After cold beers and Russian-style selections from the menu, we moved on to the question of when he realised communism had to be abandoned. The moment came in 1971, when an impassioned young Yavlinsky returned home to Lviv to tell his parents about the exciting new economic ideas he had picked up at Moscow State University and

the new and improved future of central planning. "My parents listened to me for two hours and not once did they interrupt," Yavlinsky recalled. "Then, when I was finished, my father said to me, 'Let me tell you a fable'. He told me: 'There was once a man with yellow skin and all his life they

tried to cure him of his yellowness. At last, when he died they did an autopsy, and it turned out that he was Chinese. And after that, whenever people came up with new ideas for fixing the Soviet economy I would always think to myself, maybe he is Chinese. And maybe the Soviet economy cannot be fixed and all we can do is build something new.'"

Yavlinsky has taken a similarly uncompromising attitude towards the new Russia, where he says the hope of building a liberal democracy and open market economy is swiftly expiring under the weight of the corrupt corporate oligarchy that has become the country's new ruling elite. Other Russian reformers, who have chosen to ally themselves with Yeltsin, accuse Yavlinsky of arrogance for always harping on the problems of the transition and refusing to join the Kremlin team.

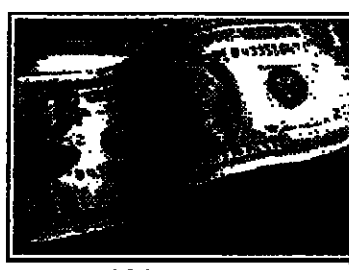
Are they right? "Before the elections last year, every day at least 100 times I was asked that question and I didn't really know how to answer. I said I was ready to argue the political issues, not to talk about myself... They said, why can't you be like Gaidar [the radical reformer who was Russia's first post-communist prime minister]. Finally, I came up with a line. I would say, Gaidar is willing to have Yeltsin without democracy, but I am willing to have democracy without Yeltsin."

I asked Yavlinsky whether he had ever thought of giving up, considering his disgust for the new Russia. Apparently not. "Russia has very beautiful women and very charming children - why should I leave all that to them?" he explained. It was already 9.15, 15 minutes after Yavlinsky's next appointment. As we stood up, a few hesitant Russian diners came up to shake hands and to thank Grigory Yavlinsky for his political crusade.

We then had a brief scuffle at the cashier's counter, which I won only after insisting that the concept of "Lunch with the FT" required that we foot the \$40 bill.

"You're sure now that your bosses will pay you back?" he asked.

WHY SCT IS MUCH BETTER NEWS THAN SKY.



US FIGURES, LATEST



MOSCOW CALLING



CNN/BBC WORLD

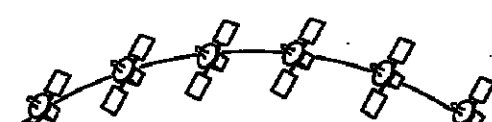
An SCT satellite system is better news by far, giving you worldwide coverage of business, finance and events as they happen.

SCT picks up not just one satellite (like Sky does) but any one of a whole necklace of satellites strung across the skies. The result - a far greater choice of quality viewing, much of it entirely free of charge.

And this vast choice is yours through a dish as small as just 55cm - tiny enough to avoid planning regulations even on listed buildings.

Systems start from £2,945 including installation and VAT.

To find out more contact SCT on 01367 820101.



SCT
WATCH THE WORLD

SCT, NOT THE CHEAPEST SYSTEM. BUT AN INFINITELY MORE NEWSWORTHY ONE.

SCT, Liffington Business Park, Station Road, Liffington, Cambs CB7 7QD
Telephone 01367 820101 Fax 01367 820066
Internet Web Site <http://www.wtws.co.uk>

PERSPECTIVES



Without any form of outside support, but was Sir Ranulph Fiennes' really alone?

Ranulph Fiennes/Royal Geographical Society

Follow the rules to the Pole

To become a polar pioneer, you must first work out the regulations. Rebecca Stephens explains

Spring is round the corner and north of the Arctic Circle the days are getting longer. It is time for those mindful of a holiday on ice to act speedily and book a trip to the North Pole.

The choice is yours - fly fixed-wing or helicopter, cruise upon an ice-breaker, skydive on to it or ice-dive under it. The North Pole is accessible, and that, in a sense, is the dilemma.

Advances in technology allow anyone with the financial wherewithal to visit the once remote place. And for the hardy few intent on journeying there the hard way, - that is over land, or rather ice - these technological advances, together with the bank of knowledge collated from past expeditions, mean that the definition of what might now be called an adventure sport is constantly shifting.

Thirty years ago, simply to reach the North Pole was considered a noble enough feat. The first undoubted expedition to reach the pole by crossing the ice was a 12-strong team on snow-coolers led by the American Ralph Plaisted in 1968.

Long before this expedition, in 1906, there was Frederick A. Cook, and in 1909, Robert Peary. Both Americans who claimed to have led successful expeditions. Bob Headland, however, archivist and curator at The Scott Polar Research Institute, says: "Basically, their times and distances don't add up."

So what rules apply now among the polar fraternity? Should a pioneer journey be "unsupported" and alone? What constitutes unsupported? Does it count if you use parasails to harness the wind?

And what if you are picked up at the Pole by aircraft? The purist might argue that that is the same as being plucked off a mountain top by helicopter.

And satellite communications? Sensible, no doubt, if death seems too high a price to pay for playing the game, but is it in the



The way it was: Robert Peary sledging expedition, 1909-09

Royal Geographical Society

spirit of things, knowing you can always press the red button if the going gets too tough?

In 1990, two Norwegians, Borge Ousland and Erling Kagge, successfully man-hauled sleds from Ellesmere Island, Canada, to the North Pole. The National Geographic Magazine reported the expedition to be the first to reach the North Pole "without any form of outside support".

But was it? Britons Sir Ranulph Fiennes and Dr Michael Stroud, who in the same year man-hauled sleds to within 86 nautical miles of the Pole, argue not. To Fiennes and Stroud, to have aircraft contact mid-journey, to eat a third man's food, and, for the early part of the journey, to have that third man share the load-hauling of communal kit, does not constitute an unsupported expedition.

Stroud said as much at a lecture he delivered shortly after their return at the Royal Geographical Society in London and the audience was up in arms. To the casual observer, dragging

200lb sleds in desperately cold conditions over hundreds of miles of ice, that at times is contorted into pressure ridges, and at other times melting beneath one's feet, with the added frisson afforded by hungry polar bears, is an unimaginable challenge.

But to a player in this game, the rules, while accepting they are continually being revised, are the rules, just as they are in tennis, football, or athletics.

In 1994, Ousland returned to the North Pole alone, this time from Siberia. He is the first person to have completed the journey solo and unsupported. It is this feat, and his remarkable solo crossing of the Antarctic continent in January with, as seems acceptable in today's definition of unsupported, a parasail, that has earned him the reputation of being the strongest man in this form of adventuring.

The Norwegians have always been leaders in the polar field, since the early days of Roald Amundsen and Captain Scott. As British adventurer David Hem-

pleman-Adams puts it: "They're born with skis on their feet and we're not."

Hempleman-Adams happily called on the advice of Ousland to prepare himself for his successful unsupported trip to the South Pole in 1995-1996. He is returning to the North Pole early in March after a failed trip in 1983, teaming up with little-known 25-year-old Norwegian Rune Gjeldnes. "It's nice," he said, "he can look after me."

Gjeldnes, equally delighted with the arrangements, says: "The Norwegians and British have been competing for 100 years. Maybe it's time to co-operate." If successful, Hempleman-Adams will be the first Briton to man-haul sleds unsupported to the North Pole.

That is if 21-year-old Briton Alan Bywaters, on his first polar expedition and setting off around the same time, doesn't beat him to it.

"It's Brit city up here this year," said a representative from Bradley First Air, the company

flying them all to the starting post on Ward Hunt Island, off the coast of Canada.

Also hauling sleds to the North Pole in March is a team of 20 British women, split into five relay teams of four. Two guides, American Matty McNair and Canadian Denise Martin, will accompany the women on each of the five legs; and, if successful, will themselves become the first women to pull sleds to the pole.

Another American, Pam Flowers, aims to be the first woman to travel solo to the North Pole. She will be following in the tracks of her compatriot, Anne Bancroft, who, in 1986, became the first woman to reach the North Pole. She travelled in a party led by the Canadian Will Steger that used dogs.

In 1988 a Japanese woman also completed the journey to the pole as part of a team which used snow scooters.

The Japanese are notoriously keen on the North Pole. This year there is a solo attempt. And two other teams are planning trips, one New Zealand, the other Dutch.

But the really ambitious are attempting an unsupported crossing from one side of the Arctic to the other. Three parties are involved: Britons Stephen Martin and David Mitchell; a Russian Mikhail Malakov and American Will Steger; and Mitsuru Ohba, a Japanese travelling alone.

"This," says Fiennes, "is the only polar trip left to be done."

It will surely be achieved some day soon. The definition of "unsupported" will then probably change. Parasails, though wonderful in the Antarctic, are a more difficult proposition in the North - the terrain is tough and the winds unpredictable. Which leaves the security of satellite communications. The person who crosses the Arctic alone, abandoning the security of that red button, will be pushing the limits of physical and psychological endurance just about as far as they will go.

Where the cockpit is a social leveller

Your rooster is the same as my rooster, says Justin Marozzi

It is a long way from a genteel weekend in the English countryside watching cricket and sipping Pimm's. On Sunday afternoons cockpits throughout the Philippines reverberate with the screams of bookmakers (kristos) and the roaring of gamblers urging their cocks on in a frenzy rarely seen in other sports.

Cockfighting is the sport of the masses in the Philippines. It has a heritage spanning several centuries and is as much a part of national life as cricket is to an Englishman or baseball to an American.

From breeders to feeders, handlers, owners, "cock doctors", kristos and gamblers, cockfighting is a national industry. Trade magazines advertise high protein power pellets, fighter feeds, vitamins and conditioners, advise on breeding, and hold forth on the merits of "flyers" versus "grounders". Such is the sport's popularity that appeal to congressmen target cockpits for their campaigns in the provinces. Quite simply, says Congressman Amado Bagatsing (who himself has 200 cocks), "if you don't go to a cockpit, you don't get the votes".

In this era of rapid economic growth and increasing disparity between the classes, it is, they say, the great social leveller. "High and mighty, rich and poor, they're all the same inside the cockpit. Even if I'm the richest man in the country, your rooster is the same as my rooster," says Bagatsing.

Banning cockfighting in the Philippines would be as unthinkable as an attempt to abolish cricket by a Save the Willow Tree Society. Suggestions of cruelty are simply incomprehensible in a country where the concept of human rights has only recently emerged. "Cocks are natural fighters," says Fred Katigbak, a businessman "You get one with his intestines hanging out and he'll still fight. They're very brave animals." Both the Senate and House of Representatives are active supporters, local government receives a steady revenue from its tax on gate receipts and a per-fight fee of 100-200 pesos (\$4-\$8). There are 1,500 registered cockpits in the country and each provides employment for 200 workers.

According to Rolando Luzon, manager of the Roligon cockpit in Manila: "When you take into account all the farms, the handlers, the feed shops and distributors, cockfighting is one of the biggest employers in the country. If you tried to abolish it, there would be a revolution."

Sitting ring-side with Senator Ramon Revilla, owner of the 21m peso (\$810,000) Cavite Coliseum cockpit outside Manila, I have an eye-level view of the day's proceedings: the first instalment of a two-day, four-cock derby (108 fights), hosted by his son, the actor and vice-governor of Cavite province Ramon "Bong" Revilla. Feathers sliced off during the furious fighting gently descend on us throughout. With this cockpit and 1,000 cocks to his name, Revilla speaks for several million Filipinos when he describes his love of cockfighting.

"I grew up with chickens helping my eldest brother feed and water them, stroking and massaging them. From that time I learnt to love chickens. Now, as a legislator, I will not allow cockfighting to be abolished."

One of the first encounters pits Revilla Sr against his son God Man versus Zu. After years of pampering, both birds are magnificent specimens in peak condition, with gleaming plumage, and the swagger of a handsome young boulevardier. It is said that many Filipino wives long for the sort of attention lavished by husbands on their birds.

The crowd begins to roar and places bets on the two cocks. The kristos display a prodigious memory. Bets are an oral contract between kristos and backers and none is written down. "These guys are phenomenal," says Katigbak. "They can be pointing to 80-90 people and at the end of the fight they'll remember every single bet." Kristos receive a commission of 5-10 per cent from their clients on any winnings. With bets of \$2,000-\$3,000 on one fight commonplace (a few well-heeled gamblers will place as much as \$60,000), this is big business, particularly in a country where the annual per capita income is \$1,200.

Filipino wives long for the attention lavished by husbands on their birds

Neon lights above the pit indicate the *meron* (favourite) and the *wala* (underdog). Bets are placed accordingly. The crowd is at fever pitch.

When at last the cocks are set at each other the clamour of the kristos subsides and an expectant hush falls. With a three-inch razor-sharp blade (slasher in the local argot) strapped to the left leg of each bird it is always destined to be a deadly encounter.

While they are still able to fly, the roosters weave and feint gracefully, fending off attacks with a natural elegance. If there is an inherent aesthetic in this bloody sport, it is here. But it is short-lived too. Substantial sums are at stake, so great whooping from the crowd tends to meet the first serious injury. Soon God Man and Zu, unable to stand on their legs, flop helplessly on to the ground, the crumpled bodies stripped of their former glory.

But the fight is not over yet. To determine the winner, the presiding *senenador* (judge) has both combatants and backs them together. If both peck at each other, they are dragged down again to resume the fight. Once a bird fails to respond, his opponent's pecking after three lifts, he is declared the loser. Zu and God Man die together and the protracted fight ends in a rare draw. It is considered an honourable result.

Putting the nightmares to bed

A year on from Dunblane, Anne Sebba meets two pioneers who help children cope with disaster

Every night, before six-year-old Joanna goes to bed, she and her mother summon the dream catcher. Together, they collect all the bad dreams and stuff them into a pillow case.

Joanna (not her real name) is a pupil at Dunblane Primary School in Scotland and suffers recurrent nightmares. She was not in the class involved in last year's shooting and her mother was therefore told recently not to worry - there was no reason why her daughter should be affected.

But the mother was worried. She needed reassurance that the highly creative coping mechanisms she had invented was a sound one.

There is no magic about March 13, the first anniversary of the murder of 16 children and their teacher at Dunblane school, that can wipe away the pain many of the children are still experiencing.

But at least today, many experts recognise that children who at first seem undamaged, or on the periphery of a tragedy, need immediate help which could prevent them needing serious psychiatric treatment later.

By contrast, doctors in Britain at the height of the Blitz in 1940 believed that terrified children could actually benefit from being evacuated or spending nights in underground train tunnels or under railway arches - the countryside would help them regain their poise and the tunnels would

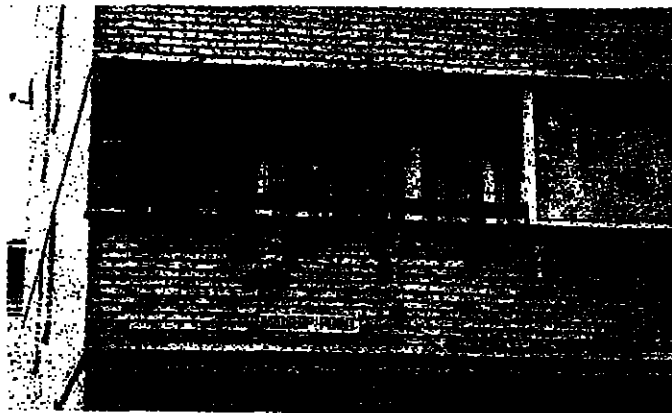
be a fresh experience.

A 1941 survey of 8,000 children by the Bristol Child Guidance Clinic remarked on the extraordinary toughness of children.

But to anyone who argues that children are resilient and therefore do not need psychological counselling, Dr Mooli Lahad, an Israeli psychologist, replies that it is exactly this resilience that enables children to cope well with grief in the short term. "But that does not mean they will not be affected in the longer term - even for life," he says.

"Imagination is a central coping mechanism for them - they pretend things are not as bad as they are. There is a danger that this might become a process whereby they deny what is going on around them."

Lahad set up a small unit in northern Israel, called the Community Stress Prevention Centre (CSPPC), in 1980. Today it has eight professionals operating from three poky rooms at the back of a hospital in the border town of Kiryat Shmona and is probably the only such team in the world. The eight are themselves under fairly constant stress because of regular shelling from the Southern Lebanon Hills. CSPPC promotes "stress inoculation" by setting up preventive programmes that prepare for possible tragedy.



London's Docklands after the IRA bomb: To a child, who views a home as a place of safety, this was very traumatic

"Death is the most difficult thing we face in life yet children are not given a single lecture let alone a whole curriculum to help them," Lahad explains. "How can you handle it without talking about it? We want to expose people to the many channels of coping before disaster strikes."

Elizabeth Capewell, a 50-year-old teacher and pioneer post-trauma specialist, gained much of her expertise from the Israeli

unit and has worked with the Dunblane community.

She is a round-faced, bespectacled, motherly type who understands grieving only too well: her teenage daughter died in 1993 from leukaemia.

And in 1987, she was working as an officer in the Berkshire education department at the time of the shootings in the town of Hungerford. The experience left her appalled that the needs of children, caught up in a siege for four or five hours without their parents, were largely ignored.

"There were dead bodies on the common, telephones jammed, helicopters overhead. Yet everything was focused on the 18 killed: no one was looking at the images and experiences that the children saw in Hungerford."

"It was felt that the children didn't need help or that their own families would provide. I knew it was not so but I needed to find out what could have been done differently."

Capewell, a Cambridge graduate, later gave up her job and by 1990 had set up a Centre for Crisis Management and Education with a special interest in children and schools. She has been to Israel several times to keep up with latest research. Even now, both her office, a room in her home, and her emotions are still in the shadow of Hungerford.

"Hungerford taught me that pain goes on a long time. I am still affected by that massacre and, for want of a small intervention early on, need not have been."

Capewell has now been called in the aftermath of several UK disasters, including the Lockerbie air crash, the Hillsborough stadium tragedy and the Manchester city centre bombing. Days after the IRA bomb

exploded in London's Docklands killing two people, she and a colleague were invited to help. "Most of the homes in the area had windows blown in and one school was so badly damaged that it could not be used. To a child, who views a home as a place of safety, this was a very traumatic experience."

She said help can often be a simple thing. "Often it is simply teaching people to value what they are doing already, or giving them details about comparative tragedies, which helps put their own in perspective."

But if no help, information or support is given a community might take a long time to heal because the negative experience becomes part of its history - witness Northern Ireland or the former Yugoslavia.

The real work takes place in schools. "We offer a very simple system based on education," Capewell explained. "It is most effective in discussion groups where children can say what happened and label some of the things they felt."

"Writing stories and acting out role-plays are also useful tools; younger children often find drawing helpful and a teacher can quickly spot those pictures which

are very confused, possibly indicating that that child needs extra help."

"But the most difficult aspect is teaching children to be both vigilant and trustful at the same time."

Learning how to recognise stress in children, how to answer difficult questions truthfully and simply, and how to encourage children to articulate their fears are skills which have a much wider application than simply dealing with disasters.

They are useful for everyday crises from losing a favourite toy to sudden death - the day I met Capewell she took an urgent phone call from a teacher asking her to talk to some boys who had just seen their games master collapse and die while running with them. If teachers can learn these skills themselves, they can often provide immediate, low-key help without needing to call on a psychologist.

After Dunblane there was a move to increase levels of protection of children and many schools have decided to spend what money is available on physical security - erecting expensive gates, walls and video cameras.

"But this avoids the emotional human issues," says Capewell. "Having a Fort Knox attitude is not entirely healthy. Since we cannot always protect children, however hard we try, perhaps we need to prepare them."

■ The Centre for Crisis Management and Education: 01635-50644

BOOKS

Heritage does battle with history

A.C. Grayling on why we find the past so consoling and how it can be misused

In the last 25 years an obsession with Heritage – not History, but "Heritage" – has mushroomed everywhere, says David Lowenthal, to the extent that it is now a cardinal sin to neglect it and a national duty to invoke it. We are required to be proud of our heritage, and to protect it; there is an outcry if an old building is threatened with demolition, or a painting is to be sold abroad. Lowenthal's question is: why, at a time when the world is beset by conflict, animosity and loss of faith in progress, have we become obsessed with heritage?

His answer is that we find tradition and the past consoling; an interest in the past links us to our ancestors, and to those with whom we share our heritage, and gives us a sense of identity and roots. We must not see these as positive things. But heritage can also, he argues, be oppressive, defeatist and decadent, trapping us in obsolete attitudes and promoting xenophobia and nationalism.

And it does so by twisting history, distorting it into myth. Where history is a quest for truth, or at least accuracy, heritage is a matter of faith, with its own special axes to grind. And therefore, Lowenthal argues, we should be very clear about the differences between history and heritage. His book sets out to draw that distinction definitively. It also explores the reasons for the growth of the heritage industry, and the difficulties, posed by "possessive rivalry", to caring for what is truly valuable in it. He is not against heritage; he is against its misuse. We live more

fruitfully with both history and heritage, he says, if we understand the different ends they serve. Historical inquiry is open, comprehensive and collaborative, aimed at getting the truth. Or at very least, at keeping scrupulously close to evidence. It is open in being testable, comprehensive in belonging to a universal chronology, and collaborative in pooling the results of research by many inquirers.

Heritage is none of these things. It is instead a declaration of faith, which makes free use of historical materials – omitting, bending, exaggerating, inventing and embellishing them when necessary – to produce a story satisfying certain needs: for a sense of identity, roots and founding myths. Unlike history, heritage is

not open to critical challenge. It has the character of the sacred. Historians vilify heritage for its bias. But Lowenthal argues that it is futile to take such a view since bias is the very point of heritage. "Prejudiced pride in the unconscious ones, that make it inevitable – struggle to reduce it, which is the same as to say that they struggle for objectivity. Heritage, on the contrary, sanctions and promotes bias. It is helped in the task by imprecision, sketchiness and paucity of evidence – the less evidence, the more room for imagination – and it is protected by ignorance."

In all respects heritage is a far cry from history, serving different audiences for different ends. Is it a cause for concern that the study of history seems dry and remote to most people, while heritage is immediate and personal? Lowenthal gives examples. It is as heritage that visitors engaged with the statue of St Patrick at Glasgow's 1992 archdiocesan exhibition, Catholics kissing his

foot, Protestants spitting in his face. An American guidebook tells parents, "Let your children experience American history instead of just reading about it." Lowenthal seems to say that this is not a cause for concern, on the grounds that heritage is popular, and meets the needs described. It only does harm, he says, when it is confused with history. If the distinction is kept clear, the special pleading that constitutes heritage causes no problem.

But this optimistic conclusion, coming at the end of the book, is not justified by the relentless argument Lowenthal gives throughout most of the foregoing pages, where the spectre of heritage as distorted and distorting apology for many different dis-

agreeable and even madnesses – one should mention xenophobia again, and racism – looms large. And he does not give enough weight to the fact that part of heritage's success is commercial in character, exploiting its altered and "dumbed-down" versions of history to make people feel good about themselves, and to bolster false but comfortable beliefs.

If heritage is conscious bias serving specious ends, the argument should not be that history and heritage can coexist providing we understand the difference, but that heritage should be challenged by history and the crucial, questioning ethos of history promoted.

Otherwise the bad will surely drive out the good, as with money; and we will be left not with history but lies.

THE HERITAGE CRUSADE
by David Lowenthal
Viking £25, 338 pages

past is not a sorry consequence of heritage," he writes, "it is its essential purpose."

So the fundamental difference between history and heritage is one of attitude. Historians regard bias as an intellectual sin, and therefore – recognising the many different factors, including

Alive amid death on the front

Gillian Beer remembers the nurses under enemy fire

Nurses see the grim effects of war. They are not soldiers nor civilians, but are stretched to the utmost across these different kinds of experience. As they recount their war to Eric Taylor, in this book, what they remember most are the moments when civilian life breaks through.

A lone figure goes about daily business, an elderly man rides a bicycle between the lines of fire, an old woman appears "from nowhere" leading a cow.

FRONT-LINE NURSE: BRITISH NURSES IN WORLD WAR II
by Eric Taylor
Robert Hale £19, 182 pages

But these remembered moments are no antidote to the grueling repetition of wounds, grime, bodies mangled and broken – worst of all for some, the sight of young men still whole. "I don't think I'll ever forget the sight of those young infantry soldiers shuffling steadily along the French roads towards the front, heads bent down against the sagging packs and lit pines on their backs. Sweat streaming down their faces."

"They looked neither to the front nor the side. I was reminded of cows being led to the slaughter."

Taylor presents a survey of the different fields of battle through the years of the second world war, largely through the eyes and experience of the British nursing staff present there. His workmanlike prose contrasts with the grand gesture of the conditions described.

He recounts the events, his informants add the experience as they recollect it. There is much emphasis on heroism and solidarity, some

idealisation of the past. But, in the main, the records he has gathered are admirably forthright. They communicate the humdrum level of overwork and underprovision, as well as the improvisation and loyalty.

Numbered endurance was often the necessary condition for keeping at a job under fire. One nurse involved in air evacuation remembers the exhausted sangfroid: "We were often carrying ammunition on the way out and were often sitting on bombs as we flew over. We didn't think about the risks. It was our duty and we just got on with it. I suppose we just got accustomed to death and the handling of bloody bodies."

That death-like "acclimatisation" did not, fortunately, peel up all the springs in all of these young women. There is rather little recollection of romance or reckless coupling, but it is hinted at. Fleeting tenderness between nurse and patient is, however, less often recalled than the sheer slog of staying with the wounded, even when that means you are likely to die.

Many of the fragments of recall have a kind of surprise in them as the speakers realise that what at the time seemed inevitable were acts of profound self-sacrifice.

The tone of the book is oddly sanguine in the midst of all this distress. In part that must be because these are survivors' stories: first person recollection makes sure of that. In part it is because the Allies won the war. In part, too, it is because people most willingly recall the incongruities and comedies that emerge from mayhem.

The last chapter, "Horror in the Far East", is haunted by a searing unabated



'In the Hospital': Taken from *The American Heritage: New History of the Civil War* by Bruce Catton (Viking, £25)

hatred, a bloated brutality between people no longer able to recognise each other's humanity. That makes it by far the most stomach-turning section and acts as a salutary reminder that,

whatever war's power of provoking heroism, it is a monstrous and monstrousising process.

The Epilogue emphasises that nurses, more than most, saw the mass cruelty

humanity inflicted on itself. They were changed by that

They loathed war and yet remember its exhilaration. Taylor's sober account is shot through with the vehem-

ment – sometimes humorous – memories of individual women. Together they allow the reader piercing glimpses into what it felt like to be alive, and active, amidst the death at the front line.

Fiction/Kieran Cooke

Mystical view of the humdrum

Take a work by Burgess in one hand. In the other put Kundera. Interlace the pages – and there is this monumental and at times bewildering novel by Harry Mulisch.

Two strangers meet in the middle of a cold night in Holland. Max Delius is an orphan, the son of a Nazi executed for sending people to Auschwitz, among them his Jewish wife. Onno Quist comes from a strict Calvinist family: his father was once prime minister. The two discover they were conceived on the same day in 1933, the night of the Reichstag fire. They become firm friends.

THE DISCOVERY OF HEAVEN
by Harry Mulisch
Viking £17, 730 pages

THE WOMAN & THE APE
by Peter Hoeg
Harvill Press £15.99, 229 pages

To Max, an astronomer, the world is one gigantic improvised mess. "If you ask me, it doesn't work at all, any more than the contents of a dustbin work." To Onno, a linguist specialising in dead languages, life is absurd. "Since everything is ultimately absurd, the whole of life and the whole world, conversely only the absurd makes any kind of sense."

Ada, a beautiful cellist, enters their lives, seduced by Max but marrying Onno. Ada becomes pregnant, but lapses into an irreversible coma following a car crash. A son, Quentin, is born. Max thinks he is the father.

Underlying the story of the two friends – sometimes comic, often tragic – is a complex mystical tale. Quentin has been placed on earth to find the original tablets of the ten commandments and return them to heaven.

There are some rather indigestible discussions on biblical law, architecture, music and mathematics and the American translation is jarring at times: there is no surer way of bringing things down to earth with a thump than sentences such as "She was part of him and that must be gotten rid of first." Yet the narrative is sustained by suspense and some vivid prose.

Onno and Quentin are hiding in a monastery, about to try to unlock the secret of

the commandments. "With eyes closed, squeezed shut by the darkness, Onno and Quentin listened to the thin Gregorian chant, which hung in the air like a silver cobweb. For Onno it exuded a desperate loneliness, a metallic freezing cold, which seemed to flow in through a chink straight from the Middle Ages – but for Quentin its harmonic unanimity evoked the image of 10 or 15 men, sinking after a shipwreck but holding each other to the last."

Peter Hoeg also flits between the mystical and the humdrum. Erasmus is a previously unknown type of ape, brought to London for tests and observation. Adam Burden is an ambitious zoologist, who sees Erasmus as the key to advancing his career. Madeline is Adam's Danish debutante wife, partial to tipping ethyl alcohol. The book has a Darwinian theme: where do humans stop and animals start? Madeline gazes into Erasmus's face. "It was like gazing down onto the surface of some fluid, pure alcohol for example, when all at once the surface becomes absolutely still and then you see your own reflection, and beyond it an abyss and there is a flash of not knowing whether the reflection is, in fact, the real you."

Madeline and Erasmus escape to live as lovers in St Francis Forest, a wildlife reserve of London zoo. Hoeg brings much of the same haunting imagery that characterised his earlier *Miss Smilla's Feeling for Snow*. Yet while the author seemed, in that work, thoroughly at home in the wastes of Greenland, his descriptions of London ("cockfights in the Indonesian quarter") do not always ring true.

There are also times when everything becomes a little too fantastical. Madeline and Erasmus sit blissfully in the trees. Each day he becomes more ape like, he more human. He teaches her the ways of the wild: she gives him language lessons. "Madeline had stopped trying to call to mind the oddments of grammar she had once learned and they were now journeying through language on instinct. She would gauge where the ape had not yet been and lead it there. On this particular day she had conducted it to the Danish conditional conjunctions."

Mistress of the character assassination

Nigel Andrews finds Mia Farrow's vengeful account of l'affaire Woody appallingly readable

Who needs a letter-bomb when a book like this can come through the door? One imagines a certain well-known housewife (famous for her pickings) up and snatching it for a read before opening it.

There are many forms of character assassination and Mia Farrow goes for most of them. The photographs in this memoir may be scanned in vain for a picture of Woody Allen, though there are plenty of "Frank" (Sharon), "Andi" (Previn) and Farrow's children, biological and adopted. On the other hand, you will scan the book's second half in vain for any

subject other than Allen. It is appallingly readable. Once past the vengefullest mystical prose of the early chapters, Farrow is a brisk, vivid narrator who does not hang about between bust-ups.

WHAT FALLS AWAY
by Mia Farrow
Doubleday £16.99, 370 pages

Woody may have dismissed what he called Allen's "woman scorned" scenario, which argued that Farrow's child abuse charges were prompted by his sleeping with another woman. (The other woman happened to be one of the children, but

never mind.) Farrow behaves in the book, though, in such a way that one sees both Allen's view and the judge's.

She is clearly high on rage. The full 25-page Supreme Court decision is reproduced, itemising not only her ex-partner's misdeeds but such Farrow fantasies as her sending Allen a Valentine card which pictured herself and the children impaled with knives or skewers through their hearts.

The entertainer's conduct was clearly lamentable, assuming that the charges were all or even mostly true. (Physical abuse of daughter Dylan, though, was never proved.) At the same time, this man had been virtually advertising his nympholeptic tendencies ever since *Manhattan*, where he romanced a teenage Mariel Hemingway on screen. Wasn't Farrow ingenious in supposing that his eye would not rove in an adoption-mad household, filling up the minute with exotic wails and strays?

We are also mildly



Mia Farrow: bizarre charm

woman from the Medea woman. Even at her angriest, she was still going to make *Manhattan Murder Mystery* with Allen, until other events substituted Diane Keaton. There was a record-making screen partnership even so. Though never seeming as natural a match as Keaton, Farrow starred in a dozen Woody Allen movies. Her fey, wistful, supplicatory presence – she describes herself as "two eyes on a stalk" – made her

Purple Rose Of Cairo or presented a reproachful purity to fellow characters (*Hannah And Her Sisters*). Only as the gangster's moll, in *Broadway Danny Rose*, was she offered, and gleefully took, a character part: though even here she had to wear dark glasses to conceal those melting Farrow eyes.

She was best used years earlier in Polanski's *Rosemary's Baby*. There her lost-child plaintiveness found the perfect echo chamber: a Gothic plot organised by a director of dark Gothic wit. Farrow became close friends with Polanski and Sharon Tate, though surprisingly she has nothing to say in this book about Tate's murder, deep in the showbiz heartlands where Farrow herself was born.

The childhood chapters are written with a blend of sharp observation and whimsical poesy: Thomas Wolfe out of Daphne Du Maurier. "From a distant fragment somewhere in the mind of God I was shown a different earth, a giant orb howling out its long

particular, but when Farrow was to take wing she takes wing. She also paints vivid portraits of actress mother Maureen O'Sullivan (Jane to Johnny Weissmuller's Tarzan) and director father John Farrow, whose career poignantly crumbled in the 1950s until he was spending long evenings chatting with Jesuit priests.

After years of finding Mia Farrow unappealing on and off screen, I rather warmed to her in this book. (And I realise that that is part of the book's agenda.) She is curious, questioning, observant, quirky and ever so slightly mad. Especially worrying is her endless appetite for child-rearing: it is like Dickens's Mrs Jellyby gone Unicef.

But you seldom doubt her sincerity. You believe that Farrow actually does dip into Dostoevsky, Tolstoy and Kierkegaard from time to time. After all, she had to talk to the bookwormy Woody Allen for many hours and years. And she had to find the prose to write this rainbow-hued memoir, which may retain



Simply the best way of buying books by post!

Send for a FREE copy of The Good Book Guide – the illustrated book review magazine and award-winning worldwide mail order service.

It's packed with entertaining, concise reviews of over 300 of the best and latest books, cassettes and CD-ROMs. And if you want to buy any of them, or order any book in print, you can do so – by post, fax, phone or e-mail – at London bookshop prices, and we'll deliver direct to your door.

Reply now and you'll also receive a free £5.00 token to spend!

Send for a FREE copy of The Good Book Guide today

Mr/Ms/Miss/Ms. Initials Surname
Address
Country

The Good Book Guide Office, 24 Sealand Street, London, EC1V 3GB, UK

FT BOOKSHOP

To order any books reviewed on these pages from anywhere in the world please call +44 (0) 204 5511 or fax your credit card details to +44 (0) 204 5578

Cheques (UK and Eurozone only please) can be sent to: FT Bookshop, 24 Sealand Street, London EC1V 3GB

Airmail Postage Rates: Example: Rest of World £7.50

BOOKS

Thoughts on the inside of the head

Martin Ince mugs up on the workings of the brain

What happens inside your brain when you think about something? In the last few years, the answer to this question has become clearer, and more comforting to those who cannot bring themselves to believe that logic is the essence of human intelligence. As William Calvin, a professor at the University of Seattle, tells it, several lines of investigation - into evolution, language, ways of thinking and the structure of the brain itself - all seem to be painting the same coherent picture, which is beginning to show how, and even why, we think.

Look at the human brain in action and the area where the real thought goes on is a thin layer, called the cerebral cortex, which is only about 2 millimetres thick and which sits on the "grey matter" of the brain. Seen in action, it would look like twinkling wallpaper, with areas forming, growing and reforming as different ideas flow and compete in the brain.

What is happening here is a never-ending series of competitions between different ideas and interpretations of

HOW BRAINS THINK
by William H. Calvin
Weidenfeld & Nicolson £11.99, 184 pages

events, in which the winners get more space and the losers dwindle to nothing, like less-favoured tribes vanishing from the map. It is more like free-flowing jazz improvisation than the formal fugues of Bach.

The biology of how this happens, via a wiring system akin to the inter-office mail system of the pre-electronic era, is now yielding to experimental inquiry. But as Calvin explains, we are also closer to knowing why the complex task of developing this astounding structure was worthwhile.

A large, high-performance brain is a terrific load on an organism. It needs much nutrition, for one thing. And worse, it is a distraction. For a spider, worrying about the origin of the universe would be a diversion from the vital task of spinning its web.

Humans went beyond such parochial concerns some 2.5m years ago, when the amount of cerebral cortex our ancestors carried increased four-fold and something like our present mental abilities emerged. This was a period of rapid climate change in which changes in ocean current patterns meant changing weather across the world, including the regions of Africa inhabited by our ancestors. At this stage, being able to devise new ways of approaching problems was more useful than doing the same old thing superbly well.

Of course, people have abilities, such as musical skills, which seem to have little direct use. These could have developed because evolution is not exact. An increase in general mental ability means acquiring the skills needed to play the piano as well as to hunt.

But in addition, as people have long known, the ability to perform music (or just to dance to it) has a strong role in sexual selection, the process whereby people are reassured of the mental horsepower (and therefore the hunting, or earning, potential) of possible mates.

The patchwork nature of mental human activity is seen at its most impressive in language acquisition, a process whereby almost everyone in the world learns a language painlessly at an early age that older people, being taught formally, will struggle to learn and probably never speak fluently. Normal speech is clumsy and ambiguous, the sort of stuff we would not get away with in writing. But the brain does a superb job of sorting it out, apparently by filling in a set of possible mental "trees" with the content of what it hears, until one which makes sense is complete.

Thus Calvin agrees with the biologist Patricia Churchland that an extraordinary outcome, human thought, does not require an extraordinary cause. He rules out the necessity for quantum physics or other odd goings-on in the brain to explain human consciousness, which he does not find particularly mysterious.

The brain's ability to make something coherent out of baffling incoming signals can go wrong. Hard-to-interpret input data, usually sounds rather than sights, are what lead us to see "ghosts", a particular problem for some epileptics who have damage to the temporal lobe of the brain, where such errors of interpretation are made.

Calvin believes that at this point in history, the damage done to the environment by human development is likely to produce problems which will stretch to the limit the large brain bequeathed to us by the ice ages of two million years ago. But he is cautious about claims that anything like our intelligence can be recreated in machines. It may well be possible to make "work-alikes" that can carry out apparently complex tasks. He even offers his own trade - teaching - as one possible candidate.

And if it will be tougher to integrate machines with human-like abilities into a society of humans. We wiped out our close hominid relatives early in human history, because close relations are close competitors; the same will apply to intelligent machines.

And if we do make such machines, it will be far harder to teach them to avoid sociopathic behaviour than to teach them how to perform complex tasks. This will be difficult, but it is a task we have to face in the immediate future.

Even if he is wrong about the pace of such change, this book sets out what we know about our own brains with remarkable skill and humility, and will add to the reputation of Weidenfeld and Nicolson's already notable Science Masters series.



Below left: French postcards from the early part of the century showing off the fashion for decorative calligraphy, which stretches back to the sacred illuminated manuscripts of the 8th century. Taken from *The Animated Alphabet* by Hughes Demeude (Thames and Hudson, £14.99)

The Tories' principled stayer

Direct communication would have made this a more rounded portrait, argues Malcolm Rutherford

Michael Crick is an experienced broadcaster turned biographer. He wrote a long book on Jeffrey Archer, that will-o'-the-wisp of the Tory Party, which turned out to be far too kind. He has now produced an even longer book on Michael Heseltine which, possibly in atonement for past excesses, is not quite as kind as it should be.

There is no mistaking the Crick approach to research. It is assiduous. No stone is left unturned. If the man who briefly taught Heseltine drill at Caterham in 1959 turns out to be still alive, someone is sent off to interview him. One is mildly surprised that he has not discovered the gardeners who water Heseltine's trees, though there is some suggestion that he might have talked to his hairdresser.

It is not the stones that matter,

however; it is the tone. The book reads as if Crick began by looking for dirt and was disappointed not to find it. The main point about Heseltine is that he is a fairly unusual politician in terms of contemporary British politics. He wanted to be prime minister - perhaps still does - or at least leader of the Tory Party. He made enough money early in his career, through publishing and property, to help pay the way. There is no suggestion that he used any of his money improperly. In politics, as many of his contemporaries know to their cost, it helps to be financially independent and not unduly worried about the mortgage, though even Heseltine had his financial difficulties earlier on.

In politics he has been a stayer and, by and large, a principled stayer. The modern British politician one would put him up with are Geoffrey Howe and perhaps

David Steel. He is both liberal and pragmatic.

He has also been lucky. Heseltine entered Parliament, after two previous attempts, in the general election of 1983, a year when the Tory Party took heavy losses and Harold Wilson seemed at the height of his power. It is always a good time to

MICHAEL HESELTINE: A BIOGRAPHY
by Michael Crick
Hamish Hamilton £20, 480 pages

come in when your own party is down and facing several years in opposition. He may be lucky again if the Tories take similar losses this year since his own seat seems reasonably safe. He won nearly 60 per cent of the vote in his constituency of Henley last time.

He is undoubtedly slightly odd. He had long hair - one of his hall-

marks - both before and after it was fashionable. Crick points out that he is not specially interested in sport, though he did come second in the high jump - possibly because of his great height - at school. He is not interested in horses, which for a man of his wealth and alleged social pretensions, is a great plus.

Crick also notes after a not particularly distinguished career at Shrewsbury, which was then a liberal school by English standards and was about to produce some of the founders of *That Was the Week That Was* and *Private Eye*, Heseltine applied to two universities: Reading and Bristol. Both turned him down. He then applied to colleges at Oxford and Cambridge. Both ancient universities accepted him. He went to Pembroke College, Oxford, which is where he took off.

One of the great unanswered

questions about him is how far his resignation from Margaret Thatcher's government over the Westland affair in 1986 was carefully planned in advance, and how far it was a spontaneous act. The book provides little new information, though my own guess is that it was a mixture of both: the resignation was planned, but the timing was on the spur of the moment. If he was ever to win the leadership, he had to distance himself from Thatcher. Geoffrey Howe learned the lesson the hard way by staying.

According to Crick, Heseltine put no obstacles in the way of the book being written, but did not himself cooperate. This is a pity both for Heseltine and Crick as well as the general reader. If Crick had been allowed to talk to Heseltine, he might have found him both a more sympathetic and more rounded figure. As it is, the book has the flavour of secondary sources.

Ad man at the top

Any prominent person, caught by the media with their trousers down, their fingers in the till, or their arms sales to Iraq in triplicate, should quickly call a press conference to admit it all, and throw themselves on the mercy of a soft-hearted British public. This is the best advice of the "spin doctors", the advice that Tim Bell, most celebrated spinner of them all, would have offered in his salad days.

But now Tim is Sir Timothy, a millionaire, "Mrs Thatcher's favourite ad man", a celebrity in his own lunch time, and an object of media intrusion. When Mark Hollingsworth, Sir Tim's unofficial and unwished-for biographer, approached him for an interview he received a polite "no", and Sir Tim, who spends much of his time on the telephone, soon ensured that most of the inside players in his story would refuse his co-operation.

The result is a fascinating, flawed book, giving the story from the point of view of the subject's enemies and the minor figures in his life, supplemented by press cuttings. This is no bad thing. I can not imagine anything more boring than a laudatory biography of a PR man. But you can almost see the

cutting and the pasting, with major incidents reported through the media of the day. It is all rather breathless and inconsequential, just one damn crisis after another. Hollingsworth's particular interest is politics, and the concentration on the Thatcher years at Number Ten, tends to push the book off-kilter, as does his desire to dish the dirt - the secrets of a secret-keeper.

These turn out to be of the "pardon by yawn" variety - "Tim Bell's cocaine habit in the 1980s was media famous, and a conviction for indecent exposure sounds more like high spirits. This supposedly inside account of Bell's role in propelling Saatchi & Saatchi to global dominance in advertising; the Thatcher election victories; and the celebrated clients for whom Sir Timothy worked as an adviser - notably Gekas, Hanson, and BA - offers little that is new, or revealing.

It is interesting to receive confirmation that the great have feet of clay, and that,

despite the best efforts of the PR men, skulduggery and infighting are endemic at the top of business and politics. But apart from softening her image in her early years, Sir Tim's relationship with Lady Thatcher, however fulsome, seems curiously spasmoidic - she did not attend his 60th

THE ULTIMATE SPIN DOCTOR
by Mark Hollingsworth
Hodder & Stoughton £20, 320 pages

birthday party and is not godmother to either of his children. Perhaps his view that Mark Thatcher was "a prat", which got into the press, was forgiven in the interests of politics, but not forgotten.

Sir Tim comes out of it as an engaging extrovert who on good days could mesmerise an audience, preferably an audience of one. His rewriting overnight of the Conservative advertising campaign during the 1997

election, when Number Ten was panicking, deserves a minor place in history.

But the over-riding message is that even the most respected, highly paid spin doctor does not get it right more than half the time, as his bumbling involvement with David Mellor's sex life, Lord Hanson's stalking of Yvonne, and the ill-judged VE Day "celebrations" testify.

As success, and a luxury life style, raises you above the public, so your knowledge of what the public thinks and wants dissolves.

It is a fate that Sir Tim shared with the "love of his life", Lady Thatcher. He cried when he heard that of her inner circle, was too removed from reality to realise that her day had passed. He had entered the world where it is not "what you know", but "who you know".

If this book does nothing else it stresses the importance of networking. In fact for all its gossip, Bell's sister is "Jenny" and "Jennie" within three lines - *The Ultimate Spin Doctor* demonstrates that the country is run by a tiny "inner circle" - and how insecure that inner circle really is.

Antony Thorncroft

Dark places of their own

Virginia Woolf once wrote that "the word 'sentimental' sticks in my gizzard...". She knew the paradox, however: that sentimentality is tricky to avoid - particularly if one is a novelist, and more so if one is an Irish novelist hell-bent on sidestepping the usual blarney and twinkling eyes.

The protagonist of *Waiting for the Healer* is Paul Kelly, a drunk and a Brixton publican by trade. That this is like putting a child in charge of a sweet shop goes without saying. But this is precisely - when he is not being a bull in a china shop - what Kelly is. Punishing himself with drink, and trying to escape the past, he discovers - as most of us do - that the past is omnipresent.

As his descent begins, he finds himself intent, too, on violent revenge. His rage, however, is only partly projected on those who have deprived him of his wife and brother. He is coming from some dark place of his own, and the real focus of his fury is those who have had the temerity to die - an act of abandonment he is utterly unable to forgive. Drink - the "Healer" of the title - is the only comfort.

Sweeney makes much of Kelly's return to the Rathbawn of his childhood. Here, there are perfectly-observed vignettes, at once wildly comic and unutterably sad: Mam "dipping a Silk Out in the toaster until it lit", then "licking on the radio with her ring finger" in the same sluttish movement. The place is alive with lingo.

Yet the subtext is clear. It acknowledges that it is often only a death that will force us back to our roots: that we are rooted, as often as not, by sorrow. Much is made, too, of other immigrants: old Greek and Cypriot men who keep their hats on and "slowly [ate] olives off side-plates." It is what lies at the heart of this outsider's perception. Shiftless and misplaced, its Dostoyevskian cast see London through eyes which are always other.

Waiting for the Healer is a dream of urban violence and decay: an exploration of an almost self-willed victimisation that delves deep into

the Cartesian irreconcilability of mind and body so perversely - and perfectly - exemplified in alcoholism. Its style will not be to all tastes, but its gobfins of obscenity are a reminder that literature has always been the Irishman's searing medium of resentment, and it points to perfection the fierceness of the Southern Irish who have been rolling around the streets and squares of London since the days of Swift and Defoe.

Middle England at the end of the first world war must seem something of a comedown after such first and fireworks. But *In a Land of Plenty* is deceptive in its intimacy, and not without a brutality of its own. Its author,

WAITING FOR THE HEALER
Eamonn Sweeney
Picador £14.99, 308 pages

IN A LAND OF PLENTY
by Tim Pears
Doubleday £16.99, 342 pages

Tim Pears, was much-praised for the Proustian evocativeness of his first novel, *In the Place of Fallen Leaves*, and in this (his second) he shows that the strength of the saga novel is its facility for gradual build-up. Pears is adept at unravelling the years into the present, and time is the deciding factor in his tale of the go-getting industrialist Charles Freeman, his wife Mary, and the Foreyrian patriarchal expectation that goes - as it must - awry. Subtle in its deconstruction of a mythic England, *In a Land of Plenty* is a careful epic of death and rebirth, as mysterious and as inevitable as the seasons. Brave and warm and wise, it is nostalgic in tone, but never backward-looking. It demonstrates how the quest for personal liberation invariably brings tragedy rather than joy, and charts with remarkable sensitivity how we age, change, and - if we are wise - settle without rancour into the skins of later lives.

Michael Pollard

Andrew Miller has produced a brilliant and unusual first novel. *Ingenious Pain* tells a fascinating tale set in an entirely convincing 18th-century world ranging from Bath to London and on to Russia and even Cuba. James Dyer is born humbly, in Somerset in 1739, devoid of the sensation of physical pain. More than that, he seems to have a heart of ice; to those who observe his meteoric progress, he appears to have been born without a soul. How may the ice be thawed, asks a gentleman-disciple of Newton? And what will happen should the child experience pain for the first time? The boy loses his family in a smallpox epidemic and is taken up by a huckster

New writers/J.D.F. Jones

A journey to awaken the soul

quack as an exhibit in country fairs. He becomes a scientific curiosity in a century which lingered "between the secret arts of the old world and the discoveries of the age to come". He is seized for the Navy, where he discovers his genius as a surgeon. Still a young man, he takes fashionable Bath by storm, and then he is summoned by Catherine the Great to St Petersburg - where everything will be transformed.

He rescues a mysterious woman in the winter forest. "Through her magic powers he is awakened to life, and also restored to pain: 'in pain, he discovers his history'. Her name is Mary, he is a Lazarus figure. Awakening to life, and then to love, he is consigned to the Bethlehem lunatic asylum in London. After the torments of the damned, he returns with the gypsy - witch? - to

a friendly paragon in the West Country. "I have been born into a new state, a new self", he says, to which the vicar comments, "We shall not chase you with your shadow, Doctor." And then a negro wrestler dies in a fair booth...

Ingenious Pain deserves this detail because it stands head and shoulders above most of the novels which will be published this spring season. The prose is taut and often beautiful. The descriptions of that 18th-century world, from the evocation of rural life in Devon to a virtuosic (and appalling) chapter on an operation on a Siamese twins or a naval battle on the high seas, are accomplished with remarkable skill. Andrew Miller is said to be 37. This surely cannot be his first book.

The Memory Game is also supposed to be first novel: it is rather good, and always

very readable, except for a unevenness in the narrative which might be explained by the widely publicised fact that "Nicci French" is a pseudonym for a trendy

INGENIOUS PAIN
by Andrew Miller
Sceptre £14.99, 337 pages

THE MEMORY GAME
by Nicci French
Heinemann £12.99, 324 pages

CROWS OVER A WHEATFIELD
by Paula Sharp
Bloomsbury £16.99, 405 pages

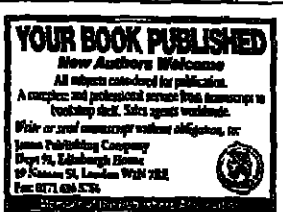
media couple in London. Nicci Gerrard and Sean French.

At one level this is a psychological thriller, and as such works well. At a more serious level, it is a polemical novel about Recovered

Memory Syndrome - the pernicious present-day fashion which aims to persuade many of us that we can retrieve memories of sexual abuse in our childhood.

Teenager Natalie vanished in 1988 and her body is discovered 25 years later in the family's Shropshire garden by her best friend, Jane Martello. Jane has married into this glamorous extended family; the marriage has faltered, and she decides to investigate this version of Housman's "land of lost content".

She goes to an awful psychoanalyst ("some of us may have bodies in our minds hidden, waiting to be discovered..."), who reveals to her a memory that Natalie was murdered by her father. Later, Jane will ask another, wiser shrink, "Is it possible to remember something that then turns out to be false?" It is indeed, lady. This is a



YOUR BOOK PUBLISHED
New Authors Welcome
All rights reserved by publisher.
A complete and professional service, guaranteeing a book to be published.
Write or send manuscript to: Sceptre Publishing Company, 100, Victoria Road, London W14 7SL. Tel: 0181 871 1125.

The history of art is as much a history of the vicissitudes of taste as it is of art itself. So there are certain stars in our firmament that we can hardly believe they were not always there, secure and certain. But even Rembrandt, late Titian and Rubens have had their ups and downs, and even now there are those who would doubt Tiepolo. It took Ruskin to fall enthusiastically in love with Tintoretto, while only a generation ago it was a general view that Raphael and da Vinci were the greatest painters who ever lived.

The artists of the Italian Baroque, which is to say of the 17th century between Caravaggio and the second rise of the Venetians, too, enjoyed its vogue, with the names of such as Guido Reni and Guercino on every lip, but it was a very 18th-century taste. For a hundred years or more it has been all but invisible save for particular individuals, such as Poussin. But, as Ruskin showed, damming or praising, vigorous championing may work miracles single-handed, and if now at last we begin again to recognise the undoubted qualities of these painters, it is because Sir Denis Mahon anticipated us by some 60 years.

Between the 1830s and the 70s, with the field to himself, he put together a personal collection that few, if any, museums can match. If now they fall over themselves to get their hands on even a part of it, who can then blame Sir Denis for setting terms upon his generosity, on principles of public good that government of any colour seems loath to honour. Free access for the public to the art held in its name is the sticking point, and if our masters cannot give that permanent guarantee, and particular museums the means to implement it, then it will be to the public's permanent loss.

But at least the National Gallery, its director and trustees, know where they stand and have long made no bones about it. It is, therefore, entirely appropriate it should be at the National Gallery we have our first chance to see just something of what is at stake, with a hint of what has already got away to drive home the point - 76 paintings, 30 drawings, and three great works long since sold elsewhere, by Carracci, Poussin and Guercino.

The Italian Baroque is loosely centred upon artists of the time who worked in Rome. Loose is the word, for, as with all generalised categories, the more we look into it, the more it falls apart. There was much coming and going. Few artists stayed in Rome, and by no means all of them were Italian. And of course the work varied in character enormously, some of it magnificent in its scope and ambition, some by contrast personal, slight, even trivial.

In short the Italian Baroque was no hermetic school, but open and heterodox in a period of great movement and change. And what is fascinating in such mixed company is to pick up upon the natural reciprocity of influence; the influences giving quite as much as they took, most especially the Dutch and Flemish. Johann Less, in "The Fall of Phaeton", displays all the frank physicality and energy of a Rubens, most espe-



'The Mystic Marriage of Saint Catherine' by Guercino, one of the greatest artists of the Italian Baroque period

Artistic enlightenment

William Packer reviews Sir Denis Mahon's magnificent collection

cially in the three succulent women clinging together in their terror at the spectacle, but the richness of colour, clarity of light and almost graphic tonality are entirely Italian, looking back even to early Titian.

Matthias Stom's "Salome receiving the Baptist's head" remains doggedly northern in its sensibility, for all its evident debt to Caravaggio. The Assereto of Hagar and the Angel looks almost to Rembrandt in the rich naturalism of its handling. And the three dark landscapes of Salvator Rosa, gloomily romantic as they are, openly

declare their affinity to contemporary Dutch landscape - his sunlit vale beyond the cliff quite as Dutch as it is Italian.

Eclecticism is endemic, with nods here to Bassano, here Tintoretto, here Raphael; but if one must draw a distinguishing character, it lies in a general lighting and simplifying of tone and colour, and in a more evident naturalism, even in the idealised subjects. Guercino's "Elijah fed by Ravens" is clearly done from life, just as his smaller "Head of an Old Man" is clearly a portrait study of the same model.

Guercino, even more than Guido Reni, is the favourite, and the run of earlier works, up to about 1620 when Guercino was nearly 30, are especially impressive, hovering idiosyncratically between Caravaggio and the later Venetians. The strange image of Salome peering through the bars of the prison at the turned back of a Baptist as oddly squint-eyed as the artist himself, is peculiarly haunting and impressive.

The 30 drawings are all by Guercino in pendant to the generality of the show. Some are so

slight as to be hardly there, some are funny, some but trials and experiments for compositions, some more fully resolved. But all are as interesting as they are beautiful for the swift delicacy and immediacy of their touch, sure and convincing. True drawing takes us straight to the artist's side. It is something else.

Discovering the Italian Baroque - the Denis Mahon Collection: Sainsbury Wing, The National Gallery, Trafalgar Square WC2, until May 18. Sponsored by Guinness Mahon/Henderson Crosthwaite.

Britten in triptych

It seems incredible but Benjamin Britten's three church parables, composed at two-yearly intervals in the 1960s, have never been performed together in a triple bill. Tomorrow in Birmingham's Symphony Hall the lack is remedied. The three short operas ("a triptych, not a trilogy," their producers emphasise, underlining a different approach to each work) come to London's South Bank on March 28 followed by Aldeburgh and Liverpool in June and a singleton in the Proms in August.

The initiative is part of the Towards the Millennium festival, the decade-by-decade progress towards 2000, which originated with Simon Rattle. The triptych marks the first collaboration between Birmingham Contemporary Music Group and the City of Birmingham Touring Opera.

Simon Halsey, CBTO's principal conductor, is hardly guilty of an over-reverential approach. He explains why the three works will not be played in order of composition. "Curlew River" (1964) is a masterpiece: it has to begin or end the evening. "Burning Fiery Furnace" (1966) is the liveliest with the biggest cast, it moves the fastest. It feels like a finale, rushing towards the buffers. That leaves "The Prodigal Son" (1968). "I thought it was weak. I freely admit I was wrong. We've discovered it's extraordinarily strong. But I still feel it sits right in the middle."

In the 1930s, by the look of it, Mark Tinkler, the young baritone-turned-producer explains his updating. "The original idea was to link the pieces in design and costume; but the Noh element of Curlew River diminishes." Instead he took inspiration from W.H. Auden's relationship with the young Britten.

"The Tempter has certain resonances in Britten's life: bohemian versus bourgeois. Experience and innocence, their reconciliation, are themes throughout Britten's work. Auden stood for experience in Britten's life and we've set it in period. Graham Vick did something similar with *Lucretia* at the Coliseum... All of us wanted to avoid cod Noh." That is the danger with *Curlew River*, written under the influence of Japanese theatre and grafting its conventions on to English medievalism. The stylisation is welcomed, and taken further, by the piece's director, Toby Wilsner. An imagina-

tive choice, he co-founded the Trestle Theatre Company that has brought the use of masks to a fine art. He has worked with BCMG before (*The Soldier's Tale*, *Goblin Market*) but comes fresh to the church parables. "I accepted the job when I was in Ecuador," he says cheerfully. "I hadn't heard them, I hadn't seen them."

Wilsner has kept the monastic framework of Britten's original, unlike Tinkler who wants to avoid the play-with-in-a-play effect - his monks are people in church in the 1930s. Wilsner's, in *Curlew River*, are "travelling around, lugging the stuff with them. They have to perform it. And every time they get caught up in it."

"It" is the haunting story of the mother driven mad with grief at the death of her child, "a very slight story," Wilsner reminds us, "though in Noh it lasts four hours. People train for years and years and years to do Noh. It can be brilliant or not particularly relevant." He favours "straight paths, clean lines, clear entrances, emblematic trees of twigs stuck in the ground - but more western masks derived from *commedia* (though this setting pre-dates it), based on animals."

The tour does indeed entail "lugging stuff around": a basic set of tables and chairs with a wooden erection like a medieval siege engine that does duty for a mountain in *Curlew River*, towers in *Prodigal Son* and gates in *Burning Fiery Furnace* - the latter in a 1960s setting (its director, Sean Walsh, is indisposed).

Despite their different production styles, the operas are agreed to be "rattling good stories". As Halsey admits, Britten is sometimes hard to programme in a contemporary context (for the Germans his music is positively traditional), but "the aleatory sections are a nod to techniques flying around in the 1930s." Tinkler points out. "The War Requiem has 12 bars in the Sanctus that do what Ligeti and Lutoslawski would go on to do," says Halsey. "In *Curlew River* you hear the music of suspense and horror films of the 1970s," adds Wilsner. "Britten's just a dramatist," concludes Tinkler, "when- ever the story's set."

Martin Hoyle

Further information: 0121-212 3333.

Radio Musak and music

Radio 3 has settled down admirably into something like its old, legendary form. Even *Brian Kay's Sunday Morning*, besides *Aids* and *Schubert's Unfinished*, shed Locke, Moran and breezy Susan Spain-Dunk, besides giving us a foretaste of the composer of the week, Charles Koechlin. R3 has run an invaluable survey of the first *Jungle Book* composer, a Frenchman neglected, according to Simon Rattle, because of his radical politics.

Apocalypse Now and Then, a slightly alarming (in its listener's case) prod at the theology of the world's imminent end is much more fascinating than the inevitable Nigel Williams off on a tangent from Christ's sufferings in *Stages of Redemption* (R4).

Admittedly, Radio 3 has its inescapables too: Jeremy Nicholas is the bland leading the bland in *In Tune*, but it was a stroke of unshamefully elitist one-upmanship to devote *Night Waves* to Stravinsky Berlin on Tuesday, the evening that Radio 4 launched this year's modish

Reith Lecture (of which more next week), thereby intellectually knocking it into a cocked hat. The subject is race - not those ancient tensions between Slav and Latin or Celt and Saxon but, whaddya know, American black and white. One would expect nothing else from the rapidly and inanely Americanising Radio 4.

The week saw two new series, *Noel America* (the always listenable to Martin Walgreen) and an *American Noir Season* (whatever that is). Regular series fell to the virus: *Sentimental Journey's* meeting of monumental mediocrities took Arthur Smith to Boston, Mass, with Lloyd Grossman in a trippingly mellifluous half-hour of euphony, and the repeated *Letters from Here and There* dealt with New York. An American lady called Faith Popcorn explained why her name was valuable in *Word of Mouth*, and the last of the drama series *New Found Land* presented the first play by a Native American (Reith Lecturish for Red Indian) writer to be broadcast here.

John Guerrasio read (excellently) our own native Nik Cohn's *I Am Still the Greatest*, says *Johnny Angelo*. The marvellous Marcus d'Amico was busy with Beryl Bainbridge in *Woman's Hour*, so we still provide employment for talented Americans, if indeed that is not Radio 4's main function in life.

Radio 3 meanwhile has usurped R4's position of brain-tub-cum-treasure chest: an interval talk on Mussolini, a series on noise, the Orlando Consort's scissoring and paste requiem with poetry and prose about war, and a reminder of last summer's *Unsung Music Festival* made it an extraordinarily rich week. All this and *Sounding the Century* and *Towards the Millennium*. We

of many television documentary series deserve the word "great": *Civilisation* (BBC 1969), *The World at War* (Thames 1973) and *Life on Earth* (BBC 1979) are the only three that spring to mind. But this week the BBC showed the last episode in another which has surely established its claim to enter the pantheon. *The People's Century* sifted through the archives of the world and undertook hundreds of interviews to chronicle the story of the 20th century, not as seen by those who usually feature in such programmes - politicians, royalty, military leaders, industrialists - but as it looked to ordinary people in the street.

Work on the series, a co-production between the BBC and WGBH Boston, began under executive producer Peter Pagnamenta as recently as 1992. The first 10 episodes, reviewing events between 1900 and 1939, were shown in the autumn of 1995, the next eight in the autumn of 1996, and the final eight this spring. The cost was about £10m, but all the BBC's investment, and more, is already being recouped in

overseas sales. Thirty other countries have bought the series so far, including France, Germany, Italy, Spain, Australia, Canada and Japan, making it one of the most successful programme exports of all time.

From the very beginning it has been an engrossing series, but this year's final batch of eight has contained some of the best episodes. Programme 19, "Living Longer" looked at the way in which public health has been improved and disease attacked in the second half of the century, and at the population explosion which has occurred, in part at least because of the success of those undertakings. As so often with *People's Century* the unexpected appeared in place of the predictable.

To illustrate the coming of the British National Health Service, instead of those stilted speeches from Labour politicians which we know so well and which Harry

Enfield parodies so brilliantly, we were treated to a hilarious little poem delivered by Tommy Trinder in what looked like a cinema and we met Ali Maalin, the world's last smallpox sufferer, and watched Chinese children dancing as they sang the family planners' song "My parents only had me, we don't want brothers and sisters". The mayor of a South American town told a ghastly story about falling to persuade his townspeople to bury the dead promptly rather than holding long wakes, and of how one corpse had eventually exploded, spreading cholera among the mourners.

Programme 20, "Great Leap", was an outstanding documentary about the communist revolution in China illustrating the shocking ease with which masses of people can be led by the nose and induced to join in the most ludicrous ideas such as constructing steel smelters

in their villages and melting down their cooking pots to "make" steel. People who will dutifully follow the leader into that, or into slaughtering all the sparrows in a mass cleansing campaign thus causing an infestation of predator-free insects, will obviously do just about anything they are told, as this vivid programme proved.

Ever since *The World at War*, historical documentary series have cut between individuals featuring in archive film and the same people interviewed years later for the programme. In the case of the eminent there is presumably, usually, no great difficulty in finding them. But *The People's Century* created a different problem for itself. If, instead of the naval commander or the political leader, you want to interview, say, one of the women seen pushing bicy-

cles loaded with sacks of rice up the Ho Chi Minh trail, how do you begin to track her down? The mind boggles, but we did hear from just such a person in Programme 23, "War of The Flea", which documented the success of guerrilla warfare in Cuba and Afghanistan as well as Vietnam.

After previewing the first 10 episodes of this series over one weekend I remarked here that it was a mind-blowing experience to watch such an astonishing overview of history all at one fell swoop, and urged that there should be a repeat in a more concentrated form than one episode a week. Gratifyingly the BBC did repeat the first 10 episodes on a Saturday in August last year, though disappointingly they did not provide a similar opportunity for the second batch. Given that it is the breadth of view and the sweep of global history in *The People's Century* which sets it apart; given that two and a half years is a very long time over which to follow a series; and given that virtually nobody will have managed to have seen every episode, it is to be hoped that the BBC will now set aside a bank holiday weekend for a repeat showing of all 26 parts.

Theatre/Alastair Macaulay Touch of the blarney

sure in the fact. On press night - the small Bush Theatre crowded, with critics hanging from the rafters, like bats - his pleasure must have been considerable, for he is playing a critic: an influential and caustic Irish crick who has never had the time to form opinions, merely to have them. Like

whom he takes time to explain this fact. Ah critics! And speaking of bats... We only learn that he is a critic after we have learnt that of his childhood fear of the dark, and of his alarm that the dark meant vampires. Then, long after we have learnt about his career as a critic of extreme hydoc-

takes us back to the dark, and to vampires. He tells us how, at the end of a real bender in London, he became the charming companion and pimp to a household of modern London vampires, remaining in this curious condition for several months.

Yes, it is embarrassing to relate that such stuff proved wholly riveting. Even as I applauded, I was blinking in disbelief: was that all? McPherson writes well, with the odd sentence of exceptional wit and eloquence. But I wish he would apply his talents to something of greater dramatic substance.

ART GALLERIES

ANCIENT CIVILISATIONS: art & artefacts from around the world for sale. Ancient Egyptian, Persian, Greek, Roman, 19th Century, 20th Century, 21st Century. 01753-6221140 for free catalogue or to visit. THE JOHN DAVIES GALLERY, 200, Old Kent Road, SE16 3LA. EXHIBITION FOR MARCH. Auction: 1,000 Back of the Lamb and other 'A'

FASHION

BUSY PROFESSIONAL WOMAN: TV costume designer will advise and re-stylish your wardrobe and assist in the new evening activity of buying new clothes. 01753-6221140, Financial Times, One Southbank Bridge, London

NBI

YOUR WILL

can help so many elderly people who have given so much... and are now in need of help themselves - with caring home fees or care home fees and many other things. Please ask the NBI to show you how you can set up a legacy - a committed subscription, or please send a donation to: The Secretary, The National Dementia Institute, 61 Riverbank Road

ARTS

Behind those tactile layers of paint

Emma Crichton-Miller describes her search for the real Balthus

People are often surprised to discover that Balthus, the Swiss-Polish painter, is still alive. Maybe his old-fashioned techniques have persuaded them that he is the old master painter he aspired to be. Or perhaps they find it incredible that the creator of such an intensely imagined world lives in our world at all. In fact, though Balthus's life began in Paris on that only intermittently real day of February 29, 1908, it has encompassed almost the entire century.

Throughout his busy career, however, Balthus has preserved the essential privacy of his creative life. He never talks about his paintings. He has remained aloof from the conflicts of modernism; he has developed his own idea of how to paint from studying the great painters of the past; and he has always remained faithful to his figurative subject matter. He has developed an oeuvre of astonishing consistency and yet its significance remains hard to define. It remains somehow conditioned off from debate, even within the art world: the enthusiasm of a few very private, private collectors.

Whether out of squeamishness or neglect, there is only one Balthus painting on general display in London, at the Tate Gallery. In 1984 I went to the great exhibition of his paintings in Paris. I was entranced by beautiful

surfaces and strange compositions. At the same time, close up to the tactile sweeps and layers of paint and confronted by so many scenes of inexplicable melodrama and dreamy reverie, the erotic charge of Balthus's paintings was unmistakable.

It was a particular shock to come upon the painting "Thérèse", and recognise myself. But who was looking at whom, and how? The painting is not overtly erotic, but Thérèse's chair is shoved into the foreground and her posture, with one beautiful child's leg crossed in profile, the other twisting away from the viewer, is artfully negligent. Who has placed her like this, and why? In the background a table and door box her in. Yet her eyes seem to evade all this imposed geometry, sliding away from focus into a dream. I was then at least 10 years older than Thérèse must have been, but there was something in her recalcitrant self-possession that I felt very close to, and which I felt Balthus understood.

What I saw painted was not a man's fantasy of a molestation, but the girl's awareness of her own power and life, felt from the inside. Perhaps this is naïve. It is true that the exposed white knickers and cat-lapping milk from a saucer in "Thérèse Dreaming" are like a dirty joke Balthus is enjoying with us at the young girl's expense, which has led some critics to denounce his work as pornographic; and



All the mystery of life is there: 'Sleeping Girl' (1943) by Balthus from the Tate Gallery

yet, the splendour of her arms and her proud head lift her beyond that into her private thoughts. Is Thérèse there for our delectation, or that we might ponder her own inviolate dream world?

It seems to me now that these paintings appear dangerous not because they are pornographic incitements to child rape, but because they dare to evoke the powerful instinctual forces inherent in every child's developing sexuality. They are provocative because they celebrate this power; enigmatic, because, as some people have objected, they ultimately evade judgment and remind us that this is only paint. In evading judgment, they challenge the imagination.

Seven years later, I was by now a television producer

and keen to make a programme about Balthus, though I knew his horror of the media: he had never allowed a programme about his work. I felt that, by meeting him, I would understand better what is so unsettling but also often so moving about his paintings. I wrote Balthus a letter and heard nothing. Two months later I wrote again. Within two days I had a phone call and an invitation to visit Balthus in Switzerland. This was the first step in a long process of mutual seduction, which ended in Balthus agreeing to make the film.

Balthus has chosen to end his life in Switzerland. He has loved the mountains since childhood, and Switzerland may also appeal to Balthus the fabulist. He lives a feudal dream as Comte Balazar Klossowski de Rola (a Polish family title which his

elder brother, the painter Pierre Klossowski, eschews) in "Le Grand Chalet" in a village still small enough for that to be the whole address. At one end of the village is a cold sinister lake, at the other a magnificent view of the mountains of the Pays d'Enhaut. Balthus has this view from half the 113 windows of the chalet.

Even now, in his late 80s, Balthus is a tremendously powerful presence. Elegant even in an ancient unbelled kimono, he speaks an exquisite old-fashioned English and a freer French. He claims to be a Gordon, related to Byron and inquires about Scottish fairies. He asks after the Yorkshire moors, which he visited only once as a teenager. They lodged so firmly in his imagination that when he later made a series of drawings for *Wuthering*

Heights he tried to infuse them with the same yearning of thwarted adolescent love he had felt there. His childhood memories have a tenacious hold on him; and with these memories, childhood feelings. This hold on childhood is what also gives him his freedom: to be wicked, to play the fool and to defy criticism.

On my first visit, the doctor's daughter came running into the kitchen. It was too good to be true, a Balthus girl living next door. Without hesitation Balthus announced that this was his current model, "an exceptional person", and you saw the spark of happiness her presence gave him. She later played a key role in our film, poised and happy.

Meeting Balthus has not of course resolved all the questions. He is a compelling and disarming man, skilful at outflanking threatening manoeuvres. Perhaps the nearest we came to the conundrum of Balthus the painter, to weighing the power of his paintings, was during the interview we filmed with Michelina, one of his models. We asked her if she had ever felt uncomfortable being sketched nude by Balthus between the ages of nine and 16. She said that it had never seemed anything to her but a good period in her life, and that when she looks now at the drawings, she doesn't see herself naked but something more abstract, more universal. As she puts it, "It's all the mystery of life".

'Balthus the Painter': BBC1 on Sunday, 10.30pm.

Off the wall/Antony Thorncroft

Shark investment at the RA

Damien Hirst, RA: the prospect of the scourge of cows and sharks joining the august fuddy-duddies traditionally associated with the status of Royal Academician could happen sooner rather than later.

Hirst is taking a great interest in this autumn's Academy show of over 100 works from the Saatchi collection, which will bring his formaldehyde shark to Burlington House; and the RA's exhibitions secretary, Norman Rosenthal, would like to see Hirst, along with Rachel Whiteread, the Chapman Brothers, and who knows who, as Academicians within the next decade. All they need for membership is for a current Academician to die, or to reach the age of 75. Then, if they get six nominations, they are graced by the current RA, who can never exceed 80 in number.

Of course these fashionable artistic iconoclasts may hate the very thought of it, but a previous generation of Young Turks, such as David Hockney, Allen Jones and Peter Blake, are now active

RA's, so age may well change attitudes. Since the president of the RA, Sir Philip Dowson, can ask three artists to send works to the Summer Show now is the time for an imaginative gesture, which would certainly live on what tends to be the most predictably bland exhibition of the year.

The RA's decision to display works by Hirst, Whiteread, the Chapman Brothers, and more this autumn is a bold, headline-grabbing gesture, but one forced on by circumstance - its £2.1m overdraft. It is much cheaper to transport works from the Saatchi Gallery in north London, than the cancelled global retrospective of the art of the 20th century. Charles Saatchi must be delighted at the publicity.

Despite its debts, the RA is in good heart. It does not seem to

mind that hardly any of the exhibitions planned for 1997 have a sponsor. There are many straws in the wind.

By an odd coincidence its current major exhibition, the late works of Braque, is sponsored by the Royal Bank of Scotland, the RA's bankers during the period when loose financial controls contributed to its debts; and one enormous sponsor signed up for the major Monet show in 1999 is Ernst & Young, the auditors called in to sort out the mess. So the two companies that matter obviously have faith in the RA's future.

Colin Tweedy, director general of the Association for Business Sponsorship of the Arts, is in apocalyptic mood. He expects that the annual grant of £5m that ABSA receives from the government

next month for the pairing scheme, which encourages new, and long-term, sponsors of the arts, will be totally spent by the end of October. This year the money ran out in December, leaving many sponsors bereft - the government top-up is much desired and appreciated.

In the current year sponsors investing £500,000 in the arts failed to get the hoped for pairing grant, but at least this shortfall confirms that arts sponsorship is growing again: the scheme attracted a third more applicants than a year ago. Since its inception in 1984 it has generated £115m extra revenue for the arts.

There is one hope for the pairing scheme. Jack Cunningham, the Labour Party's shadow heritage secretary, can see little reason why it should not be funded

by the lottery. Unfortunately, there is also little expectation that Cunningham will keep the hereditary brief if Labour wins the Election. Still favoured for the media-friendly, and not too demanding, job with its immediate cabinet post, is eminence grise Peter Mandelson.

Playwright and director Steven Berkoff is known to eat theatre critics for breakfast; the Royal Court's supremo, Stephen Daldry, too, has had his spats with the archaic carpers. Now they are about to take public revenge.

Four of the UK's leading drama critics - Michael Billington of The Guardian, Nicholas de Jongh of the Evening Standard, Jeremy Kingston of The Times, and freelance James Christopher - are to direct plays in a season at the

Battersea Arts Centre. Their creativity will be assessed in the media by the professionals.

Critics have occasionally got involved with the hard bit - writing and directing plays - in the past, but this is the first time that a festival of such work has been arranged. It is the idea of Lawrence Elman and is being financially supported by West End producer Bill Kenwright. The plays are not soft options: they include works by Pinter, Strindberg and Anouilh. Who will do what with whom will be announced next Tuesday.

The Arts Council's worst fears have materialised: the Women's Playhouse Trust, headed by the formidable Pamela Harlech, is taking it to court because its lottery panel turned down the WPT's £6.4m bid to convert the Wapping Pumping Station into an arts venue. WPT maintains that the council failed to follow the correct procedures. If it wins its case, it will tempt other rejected lottery applicants to seek a similar redress.

lost under the Third Reich. The opera is a charming parable that dabbles amusingly with lofty aspirations. Braumfels chose to make his own adaptation of Aristophanes' comedy *The Birds* and by the time he had finished, there was not much political satire left. For the most part this is a sweet tale set to sumptuously late-romantic music, well recorded and performed by a cast including the excellent Michael Kraus and high-trilling Helen Kwan. Any lovers of Richard Strauss should find themselves in Cloud-Cuckoo Land here - just as the story promises. Pure enchantment!

Finally, another anniversary. Next month EMI will be re-releasing 20 of the historic complete opera sets recorded by Maria Callas, to mark 20 years since the soprano's death. It really is an incomparable legacy ranging from the technical prowess of her earlier recordings of Bellini's *Norma* to the scalding late set of Bizet's *Carmen*. There are surely some recordings here which may never be surpassed: the *Tosca*, conducted by de Sabata, and the *Rigoletto*, conducted by Serafin, are obvious candidates. In short, every Callas set was an event - so these re-issues are both anniversary and event rolled into one.

Theatre Lear as a crone

The programme notes begin, "Imagine an old woman sitting alone in a nursing home". However, we have no need to imagine it in Helena Kaut-Horson's production of *King Lear* in Leicester; for this is the very framing device employed. As Kathryn Hunter's incontinent, wheel-chair-bound crone goes into cardiac arrest, we infer that her own memories mesh with what she has been watching on television and unfold in her near-death sub-conscious.

Leaving aside the question of what kind of nursing home would switch its TV over from *EastEnders* to Gloucester's opening speech, the conceit allows Shakespeare's action to unfold against Pawel Dobrycki's antique-institutional set, and functions primarily to explain a fessale Lear, complete with discreet gates. The idea serves its purpose - the play ends with Lear "flattening" - but provides little to the play by way of augmentation.

Hunter's Lear, now clad in a business suit and forsaking her chair sporadically, is a quiet tyrant; bluster and bellowing have never been necessary to this Lear, and sound strangely to him on occasions when he essays them - even the "Blow, winds..." speech begins in a terrible whisper. Hunter speaks for the most part with the slow, marmoreal authority of one to whom anything other than command has long been inconceivable: this attitude persists through much of Lear's madness, including the mock-trial scene in the novel.

In terms of acting, the production is top-heavy. Hunter dominates, supported by her partner Marcello Magni as the Fool, in tartan tam and carrying on his jester's wand a canny painted broom. Magni's business and performance are naturally impeccable; but his accent does not help the intelligibility of the fool's lines, one of his most eloquent moments is his native-tongue interjection at the machinations of Goneril and Regan. "Ow fannak!", Colin McCormack is a serviceably sturdy Kent. Simon Roberts takes too long to get to grips with Edgar, and the fine Hayley Carmichael likewise has too little to do as Cordelia, simply killing time through the middle acts by being doubled as a miscellaneous knight. Against this nexus, the enormities of the Goneril-Regan-Edmund acts are not sufficiently palpable; Glyn Pritchard's Cornwall is as slight dramatically as is Pritchard physically, and Nick Cavalliere's Oswald all but bumbles.

The impression is that Kaut-Horson's *Lear* has approached the production largely from the angle of practical problem-solving, firstly in finding a dramatic basis for a cross-cast *Lear* and then in dealing with the resultant ramifications of the device she uses. Structure takes primacy over either individual performances or a collective tone, leaving Hunter, Magni and occasionally one or two others hovering uncertainly at the summit of an uneasy edifice of performance.

Ian Shuttleworth

At Leicester Haymarket until March 15 (0116-2539797)

Record review/Richard Fairman

A different slant on Verdi and Wagner

It is no good these days just putting a new opera recording on the market and hoping for the best. Every opera CD has to be an event, if it is to have any hope of survival - let alone profit - in today's crowded marketplace. Anniversaries are a good bet and there are still some very interesting first recordings to be made.

The new set of Verdi's *La forza del destino* belongs in the second group. There have been plenty of recordings of this opera in its standard version, but none

before now of the original opera, as Verdi conceived it for its premiere in St. Petersburg in 1862. This was a major opportunity: there is nothing half-finished about Verdi's first thoughts and the original *Forza del destino* is every bit as compelling as his later revision. In fact, possibly more so - because it is truer to the melodramatic play on which the opera was based.

Writing for a Russian audience, Verdi had no need to round off the drama with a Catholic scene of forgiveness. He simply follows the logic of the play, which shows that destiny will always catch up with the wrongdoer in the end. Poor Don Alvaro throws himself off a cliff and brings the opera's uncompromising theme - no mercy, no escape - to a suitably bloodthirsty conclusion.

Where better to make this recording than St. Petersburg, where the opera began? Valery Gergiev and his Kirov forces have proved themselves among the world's foremost opera companies and it was time they had a chance to record some-

thing other than Russian opera. Ideally, this wild and ferocious music asks for a similarly untamed conductor - Gergiev has trained his Kirov musicians to play with an unusual degree of subtlety - but there is enough excitement at the big moments to compensate for passages where the performance goes off the boil.

Galina Gorchakova, his splendid form in Leonora's crucial scene with Mikhail Kit's Padre Guardiano, though she has some less certain moments elsewhere. Nikolai Putilin finds his forceful best form in Don Carlo's big Act 3 aria and Olga Borodina is luxury casting as Preziosilla. As Don Alvaro, Gergam Grigorian may not have the Italianate tenor line of a Bergonzi, but he certainly has the intensity. I doubt there is any other company today that could cast the opera so convincingly from within its own resources.

Decca's new recording of *Die Meistersinger von Nürnberg* does not claim to be a first in any way. But it does mark an anniversary. Georg Solti has spent 50 years as

an exclusive artist with Decca and the company is marking his golden jubilee in some style. In the booklet with the Wagner set Solti relates that it is 20 years since he last conducted the opera, and how his view of it has changed since. He now sees *Die Meistersinger* as a

Verdi: *La forza del destino*. Chorus and Orchestra of the Kirov Opera/Gergiev. Philips 446 951-2 (three discs). Wagner: *Die Meistersinger von Nürnberg*. Chicago Symphony Chorus and Orchestra/Solti. Decca 452 606-2 (four discs). Braumfels: *Die Vögel*. Rundfunkchor Berlin, Deutsches Symphonie-Orchester Berlin/Zagrosek. Decca 448 679-2 (two discs).

"conversation piece", which should be approached almost like chamber music. The idea seems attractive, but unfortunately the live performance recorded here does not often bear him out. Perhaps because of the Chicago Symphony Orchestra's character, the playing tends to sound over-ripe and emphatic.

The strengths of the set are Solti's innate sense of drama, the high technical quality all round and a cast made up of leading Wagnerian voices. Karita Mattila as Eva and Ben Heppner as Walther rival each other in golden singing, though neither creates as personable a character as others have done. Josef van Dam is a thoughtful, but not very interesting Hans Sachs; René Pape sings nobly as Pogner. It is a joy to hear Beckmesser's ungrateful music sung as scrupulously as it is by Alan Ogie.

The first recording of Braumfels's *Die Vögel* must count as an event. There are no anniversaries here, although the composer might claim his place among those released from obscurity 50 years after the end of the war. Braumfels was half-Jewish and the Nazi regime did its best to make him a non-person. Never mind that it has taken a generation to re-instate his name. The wait has been worth it.

This set of *Die Vögel* is another success for Decca's "Entartete Musik" series, which is devoted to music

Harold Holt Limited presents
THE COLOGNE RADIO SYMPHONY ORCHESTRA
"a radiant performance from this excellent band" *Radio Times*

SHLOMO MINTZ violin **HANS WONK** conductor

Weber: Overture *Euryanthe*
Mendelssohn: Violin Concerto No.1
Brahms: Symphony No.4

Monday 30 March, 7.30pm (FFH)
Other UK dates include Sun 1 March at Manchester and Tue 11 March as part of the 50th Anniversary Tour

LONDON INTERNATIONAL ORCHESTRAL SEASON
Box Office 071 980 4542 Tickets £3-27

Royal Festival Hall

MAASTRICHT
1992

International
Fine Art and
Antiques Fair

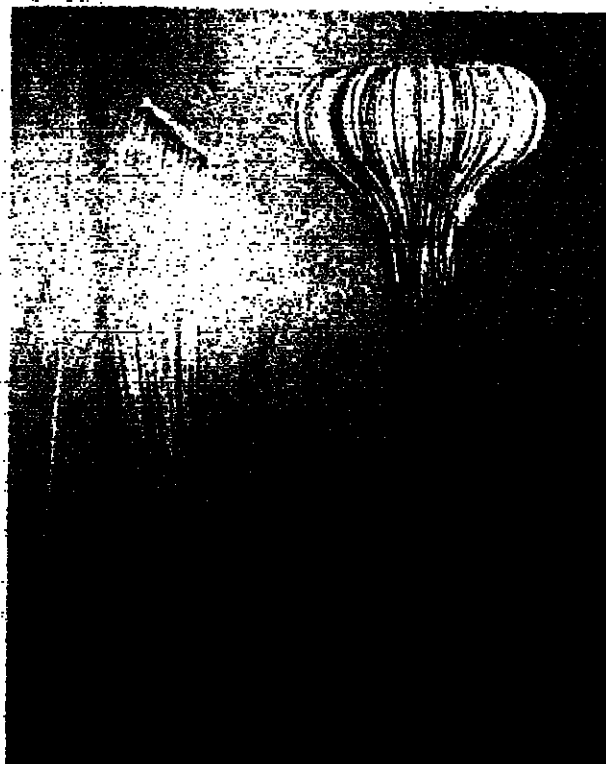
9 - 16 March
MECC Maastricht
The Netherlands

Information:
The European
Fine Art Foundation
Tel: +31 73 614 51 65

How to Spend It

Art of lighting comes out of the shade

Utilitarian lighting is out, look-at-me light sculpture is in, says Jeremy Myerson



Ayalah Sperling-Serfaty is one of Israel's brightest design talents who trained as a fine artist at Middlesex University. Her simple batch-made lights in silk and metal have an organic transparency and have been commissioned for hotels and offices as well as homes. Morning Glory, shown here, sells for \$1,595 (including shipping). Tel: 011 572 3 0802197. Or order from Christopher Lane, 212 Westbourne Grove, London W11.



American glass designer Danny Lane has worked in the UK since 1975. This spectacular Sword of Damocles chandelier in float glass was made for the home of a London businessman and is more than 24ft high. It cost more than £100,000 but other Lane pieces are less prohibitive. His Eye Lights cost around £2,000, his Palm standard lamp around £8,000. For details tel: 0191-488 3398.

Exactly 100 years after glassware artists of the Art Nouveau period astounded the newly industrialised world with their sensitive use of electric light, artists and designers are once again exploring the medium in a richly inventive way.

Forget dowdy table lamps with tasselled fringes, severe looking industrial reading lamps that burn your neck, or forlorn rows of misdirected spots. Utilitarian lighting is out and luminous showpiece sensuality in domestic interiors is coming back.

A century ago, it was Louis Comfort Tiffany in the US and Eusebio Galle and the Daum brothers in France who elevated the humble light fitting to a sculptural art form. Today a vibrant new design generation on both sides of the Atlantic is again pioneering look-at-me light sculpture for the home.

Many of the aesthetic preoccupations with form and luminosity are the same, even if they are expressed using different materials and new technology.

The idea of lighting as the decorative showpiece of an interior never really went out of fashion. But it was overshadowed for a long time by the powerful contradictory notion that light fittings should be discreet servants of light-directing and diffusing.

Just as the success of Tiffany and his peers in uniting Edison's scientific invention with decorative art encouraged the grand homes, hotels and clubs of the early 1900s to feature decorative electric light fittings, so there was an opposite strand of development in lighting factories, mines, tunnels and offices. Lights for these outposts of industrialisation enjoyed little or no design input.

Curiously enough, over the years, the two opposing strands of lighting – decorative and functional – have fused. Sparkling chandeliers have not adorned the factory floor, but the more functional light instruments of the modern age – fluorescent strips, halogen light sources, spotlights and industrial task lamps – have all entered the home.

The democratic result has been indiscriminately high levels of light installed in the home with relative ease. But much of the sensuality, allure and finesse of the traditional light sculpture has been lost.

Significantly, the new wave of lighting designers, out to redress the balance, tend to be overtly artistic in their design preoccupations, and into one-off or batch production rather than series manufacture. Form does not necessarily follow function. Their work expresses the idea that the light fitting is as valid an artistic medium as any other form of sculpture.



Katrien Van Liefvering is based in Leeds but originally trained in Belgium as a cabinet maker. She uses soft, inflatable PVC to create highly expressive light sculptures hand-crafted to order. The Luminesca series, shown here, ranges in price from £75 to £280, depending on the scale. Mail order details: 0113-257 0241.

There is room for wit, glamour, irony, even – as in the case of the bizarre suspended lights of the Belgian duo Weyers and Borms – social satire.

Some designers, such as Danny Lane, continue the Art Nouveau tradition of working in glass, albeit using float glass in a radical, gravity-defying way. Other designers, such as Miami-based David D'Imperio, extend the Art Nouveau fascination with organic biological forms by making fittings with slender stems and petal-like shades to reflect the delicate structures of nature.

There are also significant departures from the past. Israel's Ayalah Sperling-Serfaty's remarkable light sculptures in silk, are inspired by the contemporary crushed silk dresses of fashion designer Issey Miyake. UK-based Katrien Van Liefvering explores the potential of inflatable PVC in her Luminesca series, while the bendy lights of the Essex-based Villiers Brothers use velvet, foam and flexi-tube.

The ranks of the new generation of light artists have been swelled from many quarters – from ceramics, where Japan's Masatoshi Sakaegi has exploited the semi-transparency of bone china, and from fashion, where the enigmatic Frenchman Jean-Charles de Castelbajac has produced his own lighting range on the theme of the medieval hunter.

The acknowledged master of this popular craft is an old hand. German designer Ingo Maurer has been the most consistently original artist in the field since his giant Bulb Clear lightbulb lamp, inspired by the Pop Art of Jasper Johns, was launched in 1966. Munich-based Maurer combines the technical and the poetic in his lighting in an imaginative way, a far cry from typically Teutonic functionalism.

Maurer, like many lighting

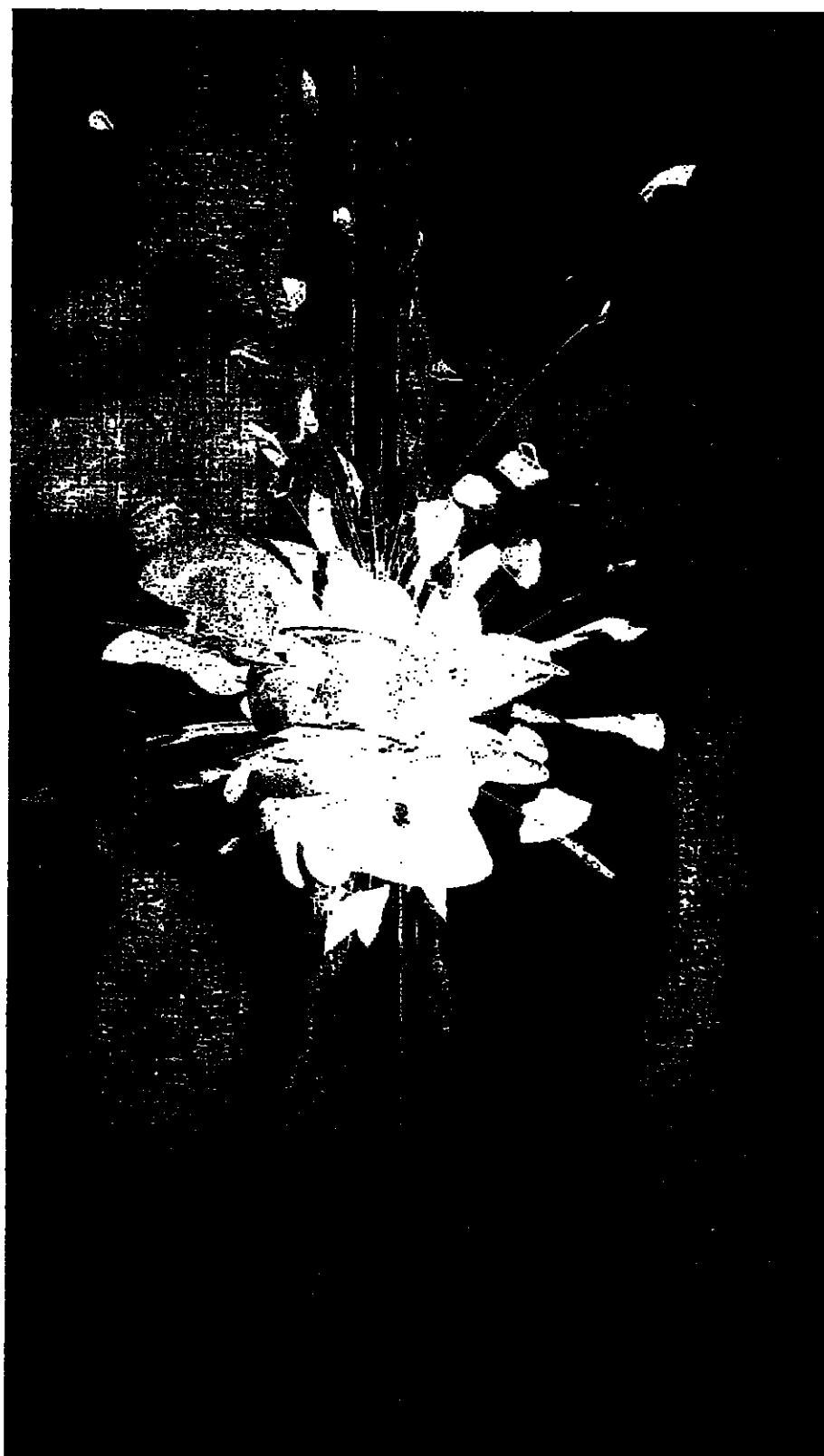
designers and artists, sells batch-made products through a mail order catalogue but he will also produce one-off commissioned pieces. For one private client he captured the idea of a slow-motion explosion in the design of a ceramic light sculpture, Porca Miseria, for a kitchen. Another piece, Orgia d'Oro, has miniature gold-plated figures drawn irresistibly to the light sources as moths to the flame.

This could be a metaphor for what is happening now in lighting – as more and more people look beyond the high street stores and retail sheds for something more decorative. As pieces of applied art, they are also likely to be a lot more expensive than standard department store wares.

There is some concern that new European safety legislation will subject the more adventurous and off-beat designer-makers in Britain to strenuous testing procedures in bringing lighting products to market that many say they can't afford.

According to Katrien Van Liefvering, "it could stop the most creative lighting designers dead in their tracks". But even this threat from Brussels is not enough to dim the general view that, for now, the art of lighting has recaptured its sparkle.

Jeremy Myerson is the author of *International Lighting Designs* (Laurence King, £30) and professor of contemporary design at De Montfort University.



Munich-based Ingo Maurer is one of Europe's leading lighting designers turning out small domestic pieces as well as large-scale installations for opera houses and art museums. Prices start at around £180 for a table light. The limited batch production of the Porca Miseria chandelier, above, costs more than £20,000. Details from Catfishco, tel: 0171-225 1720.

BERLIN AB 2500	BRUXELLES A PARTIR DE 2500	DÜSSELDORF AB DM 108	HELSINKI ALKAF 235
KÖBENHÅVN FR 100	LISBOA DESDE ESC 100	LONDON FROM £58.00	MILANO A PARTIRE DA 100.000 LIT
OSLO FR 100	RIGA SAKOT 100	STIRLINGSHIRE FROM £43.00	STOCKHOLM FRÅN K. 385

* Per person, per night, based on 2 people sharing a double room

At these prices,
the weekend can last all week

When was the last time you went away for a long weekend? You've got no excuse now, because our special Weekend rates are available every day of the week, as long as you stay a Friday or a Saturday night. Our Super Breakfast buffet is included in the price and up to two children under 18 can stay free in your room, depending

on available space. Why not make it a break just for yourselves and take in a show, sightseeing and some shopping? Call us now, but you'll have to be quick, availability is limited at these special prices. For reservations call 0800 374411 or non toll-free from any other country on: +353 1706 0284

GREAT
RATES

Radisson SAS
HOTELS WORLDWIDE

<http://www.radisson.com>

Radisson operates more than 350 hotels worldwide. You can find Radisson SAS hotels in: SCANDINAVIA: Aarhus • Copenhagen (4) • Odense • Bergen (2) • Bodø • Kristiansund • Oslo (3) • Stavanger (3) • Tromsø • Trondheim • Göteborg • Helsingborg • Luleå • Malmö • Östersund • Stockholm (4) • Västerås. EUROPE: Salzburg (2) • Vienna • Bratislava • Helsinki • Berlin • Düsseldorf • Erfurt • Hamburg • Lübeck • Münster • Neubrandenburg • Rostock • Wiesbaden • Budapest • Bergamo • Brescia • Lake Garda • Lodi • Milan (2) • Riga • Amsterdam • Szczecin • Lisbon • Sevilja • London (11) • Radisson SAS and Radisson Edwardian: Sittingbourne. MIDDLE EAST: Dead Sea (2) • Eilat • Jerusalem • Tel Aviv • Tiberias

HOW TO SPEND IT/FASHION



□ Left: Black jacket, £299, and trousers, £179, in pure silk, by Nicole Farhi, 189 West Bond Street, London W1. For stockists tel: 0171-499 8306. The Oriental-inspired Nehru collar jacket is one of the hottest looks for spring.

□ Below left: Pale blue jacket, £369, and matching trousers, £189, in wool mix, by Nicole Farhi. Pale blue looks fresh for spring.

□ Below centre: Single-breasted

pin-dot jacket, £320, and matching trousers in wool mix, £180, by Jaeger, Regent Street, London W1 (tel: 0171-200 4000). A slick, masculine and very modern look in a quality fabric and cut which is perfect for the office.

□ Right: Pale blue trousers, £199, and three-button jacket, £337, in wool mix by Louise Kennedy, from Liberty, Regent Street, London W1. For stockists tel: 00 3531 671 9564.

Also available in navy and pale green. This trouser suit offers an understated look for special occasions – especially if softened with a chiffon scarf.

□ Below right: Cream safari style jacket, £517, and trousers, £468, by Marc Cain in cotton and synthetic mix. For stockists tel: 0171-637 4142. A modern spin on the safari suit in a lightweight fabric with a long, flattering jacket.

No-frills elegance for a working wardrobe

Pants suits do not require decisions about skirt lengths and heel heights, says Karen Wheeler

If ever there was a season to be tempted by a trouser suit, this is it. Internationally, designers have adopted the pants suit as the sober, more wearable antidote to summer's frills, flamenco ruffles and skirts with fishtail hems. They are all very well but have little place in the working wardrobe.

One of this spring's most enduring images will be of actress Kristin Scott Thomas striding about the North African desert, dressed almost exclusively in trousers, in the Oscar-nominated film, *The English Patient*. Wearing 1940s-style, high-waisted khakis, teamed with a military flying jacket or simple, white cotton shirts, Scott Thomas exudes style and elegance among the sand dunes. And not surprisingly, safari-inspired trouser suits with softly belted jackets – as seen at Ralph Lauren and MaxMara – feature strongly for spring.

"The pants suit has definitely replaced the skirt suit this season," says Katie Jewett, buyer for the international designer room at Har-

rods, where Jil Sander's slick trouser suits sell for anything from £950 to £2,000 to customers who mind more about quality than price.

"The trend has been hugely influenced by the marketing campaigns of a handful of key designers, including Prada and Gucci, who have transformed the trouser suit into something fantastically sexy and modern," she says.

'The pants suit has definitely replaced the skirt suit this season'

If further proof were needed, then a visit to the flagship Joseph store in Brompton Road, London – which has long been a chic source of working suits for fashionable young career women – should prove the point. For you will find plenty of smartly tailored pants suits and

scarcely a skirt in sight. Trouser suits are now acceptable for women in all but the most traditional working environments. They are the fastest way to dress in the morning: they also offer a complete look and don't require complicated, early-morning decisions about skirt lengths, heel heights and what sort of tights you should wear.

The recent spate of androgynous looks by cult designers such as Helmut Lang has made the trouser suit the most modern option for spring. The key style – and the most flattering – features a long, lean three-button jacket with slim trousers. Although it should feature minimal detail and is masculine in cut, the effect is womanly since slim-cut jackets subtly accentuate the waist, and narrow trousers trim the thigh and elongate the leg, adding valuable visual inches.

After seasons in the sartorial desert, double-breasted is also back, but generally looks best on tall people. Other options include cropped belted jackets (for those whose bottoms can withstand such scrutiny) with fluid-cut trousers; belted safari or – most modern of all, button-up-to-the-neck Oriental inspired jackets.

So what is new about this season's trouser suit? One thing is what should be worn underneath – for this time around it is not a "trousers with plain white shirt" look. Instead, the more modern option is to wear a fitted, coloured shirt or – for an even more relaxed look – a V-neck T-shirt or fine knitted top. The very young and fashion-forward will be wearing their trouser ensembles with one of the present crop of bandeau or one-shoulder tops.

Fabric innovation has also updated the trouser suit. Heavy, tweedy fabrics have been replaced by fluid, lightweight wools or synthetic mixes which give a modern, high-sheen finish. Some fibre combinations are very luxurious – for example, Joseph

stocks a beautiful ecru, three-button, single-breasted jacket (£295) and trouser (£115) in a silk and linen mix by French label Apapa.

Jil Sander, meanwhile, has used a lightweight wool/mohair mix which hangs beautifully, looks extremely sharp and produces a wonderful depth of colour. While one can generally get away with wearing a cheap skirt, the same is not true of trousers and to get a style that hangs properly, it is a good idea to spend more. Certain designers – Jil Sander, Ralph Lauren, Donna Karan and Nicole Farhi among them – have always excelled at trouser suits.

The father of the modern-day trouser ensemble, however, is Giorgio Armani. His cheaper Emporio line this season features tangerine and coral among the usual ecrus and navys. Such colours – along with lilacs, delicate blues and mint greens elsewhere – have a shorter lifespan but undoubtedly look very fresh for spring. They also look wonderful worn with this season's multi-coloured stripe knitwear.

Traditional British labels such as Aquascutum and Jaeger are also good places to look, as they understand the importance of a flattering cut and quality fabric. Aquascutum has a very chic cream three-button single-breasted trouser suit with three button jacket (£376) and slim trouser (£150) or a military style, fly-fronted jacket (£376) that buttons to

the neck, and matching slim trouser (£150).

A new name to note is Irish designer Louise Kennedy whose elegant, understated clothes are worn by Irish President Mary Robinson and television personalities such as Emma Freud, Annabel Croft and Nanette Newman.

Kennedy's trouser ensembles include lightweight city pinstripes and long frockcoats or hip-length jackets over tailored trousers. "Worn with boots or square-toed shoes, it is a very clean, modern and professional look," she says. To make it more versatile, Kennedy offers a skirt as well as tapered trousers; while her range of silk chiffon scarves in seascape col-

ours softens a pants suit for evening.

Other good buys of the season include a navy trouser suit by J-Blues (£319) from the Kingshill catalogue and Gucci's devastatingly slick, one-button black trouser suit (£1,035) with wide-cut trousers which looks sublime for evening.

The best styles can look both formal for day and seductive by night. The key is to avoid fussy details or drapings and opt for masculine detail but add feminine touches elsewhere. A tailored trouser suit that gently hugs the waist, worn with nothing but a necklace glittering at the collarbone and a pair of high heels is a wonderful look for evening.

Illustrations: David Downton

BRITAIN'S FINEST HALLMARKED
Solid Silver Cutlery
 ONLY 44 Piece set for 6 People
£1295
 15 ELEGANT DESIGNS
 Smaller & larger sets available
 direct from **02 03 03**
United Cutlers
 Petre Street, Sheffield S4 6LL. Fax: 0114 243 7128
PHONE 0114 243 3984
 Or send to: United Cutlers, FREEPOST, Sheffield S4 7ZZ.
 Please send me your FREE colour brochure.
 Title _____ Name _____
 Address _____
 Postcode _____
 Telephone _____

CONNOLLY
 SPRING/SUMMER 1997 COLLECTION

THE NEW COLLECTION IS NOW ON VIEW AND INCLUDES STRETCH CANVAS DRIVING JACKETS, THE AIRLINE CARDIGAN, CASHMERE/LYCRA SKINNY KNITS, LOW-V CASHMERE SLIM SWEATERS, LINEN/SILK TOURING SCARVES, PIQUE AND STRETCH SILK DRIVING SHIRTS, SPRING DRIVING GLOVES AND THE NEW PORTOFINO DRIVING SHOE.

OPENING HOURS: MONDAY TO SATURDAY 10AM TO 6PM
 CONNOLLY 32 GROSVENOR CRESCENT MEWS
 BELGRAVIA LONDON SW1X 7EX
 TELEPHONE 0171 235 3883 FACSIMILE 0171 235 3838

Back Relief & Relaxation
 Treat your back to the world's most stress-free recliner!

Adjusts from vertical to horizontal in the doctor recommended 90/90 position used by the NASA astronauts.

Scandinavian styling and elegant wood finishes, with leather or fabric.

FREE colour catalogue showing full range of backcare products.

Telephone 0800 472 001 Fax 01753 671 857
 22 WILTON ROAD, LONDON W14 7JF
 ANATOMICAL RECLINERS LTD, LONDON W14 7JF

FOOD AND DRINK

Restaurants

Taste of Tuscany survives inflation

Nicholas Lander returns to Florence to find the prices have changed but not the quality

A student in Florence in 1970 my daily eating budget was £1,000 (equivalent today to £11.71) husbanded my resources well: I would have £100 for ice cream at Fiorucci's two best gelaterias, Perche noi or Vivoli's. Today, a similar ice cream costs £3,000 at Perche noi (Vivoli's is closed for refurbishment).

Yet, despite the plethora of pizzas and a thriving McDonald's on the forecourt of the main railway station, the pleasure of returning to Florence to eat simple Tuscan fare was unparalleled.

According to one English friend who has lived for seven years north of Florence in the shadow of the Apennines, Tuscan food can become tedious. But she is a fish eater. Carnivores, pasta lovers and vegetarians, on the other hand, are well looked after and for sheer speed of restaurant service, Florence beats Manhattan.

Any pasta-loving carnivore on a budget should head straight for Marjo's trattoria between San Lorenzo and the central market, effectively an up-market cafe with low prices and a no-bookings policy that did not deter diners

waiting outside for more than 10 minutes in torrential rain.

There is no menu and you have to listen carefully as a waiter barks at you with the details of what is cooking in the open kitchen.

First courses are £5.00-£5.50 for pasta, pasta in brodo or ribollita, the dense vegetable soup. Main courses are no more than double that for startling portions of osso buco, thickly sliced roast veal with equally thick slices of potato topped with translucent olive oil and bistecca alla fiorentina. Stay to soak in the atmosphere, but for dessert and coffee stroll over to Perche noi.

On the walls of the steps down to Buca Lapi are encouraging signs. One is a collection of 30 or so weathered but polished copper pans that have obviously fed thousands of discerning Floren-

tines in the 117 years it has been open, as the adjacent poster proudly proclaims.

This, of course, makes it a mere strippling compared with the Antinori family, who have supervised their Chianti empire from the Palazzo Antinori directly above for 23 generations.

The cooking at Buca Lapi is undergoing a renaissance thanks to an energetic manager and Antinori money. There are two vaulted dining rooms with the ceilings covered in travel posters from the 1960s (the first dining room has views into the kitchen; behind the cashier is a large walk-in fridge).

Our table of six shared antipasti - thin slices of wild boar fillet in rosemary oil, crostini with ground sausage and pecorino and others with tomato and olive oil - before bowls of pice,

thick spaghetti with yet more sausage and a wild fennel sauce.

The waiter will try to steer you to choose steak, veal or chicken from the grill but resist. The casserole duck with onions, the

As with everything in this city, Cibreo offers so much from so little space

family has a financial stake.

There is talk of redesigning the interior later this year to match the higher standards of cooking. This will be a shame. Today, it is testimony to a bygone era.

Five minutes' walk north of Santa Croce is Cibreo, Fabio Picchi's culinary empire that over 18 years has personified the modern face of Tuscan cooking.

And, as with everything in this cramped city, it offers so much from so little space. One kitchen feeds both the no-bookings trattoria and the more formal restaurant. Across the road, the Cibreo cafe makes espressos for the restaurant.

Again there is no menu. Instead Picchi and his manageress dart around the noisy dining room with a folded piece of paper listing the day's dishes and dispensing advice - the curious cus-

tomers will invariably be offered more than he ordered.

One aspect of Cibreo's cooking is made quite obvious: by the kitchen hang four strings of drying red chillies, and certain dishes such as a fish soup of swordfish and red mullet are hot. Another characteristic of this restaurant's cooking - pushing flavours to the limit - becomes obvious as you taste ricotta either cooked with lemon peel or in a small ricotta and potato soufflé. Ricotta does not usually taste like this.

There are one or two simple main courses - a plain roast pigeon, light chicken and ricotta meatballs and several fish dishes - but most are distinctive calves' foot deboned and served with a jelly; calves' liver cooked whole in milk for five hours, sliced and served with a carrot purée. I was only allowed to sample

one extraordinary dish because although it had been cooking all afternoon, it was still not ready to be served. This was skin of pork, diced, cleaned twice, stewed with tomatoes and then left to bubble in a large dish in a low oven. It was gelatinous and almost Chinese in texture.

Cibreo's vegetables - piquant cauliflower, a creamy yet crunchy celery purée and spicy potatoes - were redolent of India, while the desserts, a vanilla mousse with a chocolate sauce, poached pears and a flourless chocolate cake, were quintessentially Italian.

This was, for me, the essence of creative cooking - holding on to a region's indigenous strengths while taking from abroad only those things that can make it even better.

Perche noi, Via Tavolara 19; Trattoria Mario, Via Rosina 2; Buca Lapi, Via del Trebbio 1, tel: 213768; Cibreo, Via A. Del Verrochio, 8, tel: 2341100.

NEKT WEEK: We will announce the winners in our "Lunch For a Fiver" competition and the result of the charity promotion on behalf of Save the Children.



Cookery

Food with spring promise

Philippa Davenport tries out a few dishes to see in mad - or mild - March days

Sciaparelli pink early rhubarb and Bellishas beaon-bright Seville oranges, with their acid bite and vibrant hues, keep alive the promise of spring, even if the weather does its best to depress us in the UK with steel grey dank and blustery days.

If heavyweight steamed and baked puddings are needed to cheer us, the clean fresh tastes of these fruits will radiate through the stodge. If the weather plays fair, these fruits are equally adept at conjuring up frivolous featherweight confections - hot and cold soufflés, sorbets, jellies and the like.

As though to will March to come in like a lamb, not a lion, I have optimistically chosen the lighter rhubarb option for my menus.

In keeping with this mood, my first choice of fish is diver-caught scallops, those most elegant briny-sweet pearls of the sea.

As for meat, my vote goes to quail: juicy little morsels, willing to imbibe extra flavours, and quick to cook.

Grilling them whole keeps them more succulent than spatchcocking. I think

Besides, the squashed buttermilk looks of a spatchcocked bird is not aesthetically pleasing. I prefer to grill them whole (which, incidentally, allows you to grill more at one go). But, because there is something so wasteful about whole birds this small, I cut quails in half just before serving. A pile of halves somehow looks more generous than their sum total in bird numbers. What is more, halved birds are easier to eat neatly.

There is rather more meat on a quail than meets the eye. It may sound unforgivably sexist in this day and age, but I find that one quail is as much as most women want to eat as part of a dinner menu, though men tend to feel cheated if not offered two. To put it more diplomatically, buying enough quails to allow an average one and a half birds per person usually works out satisfactorily.

The idea of attacking something the size of a sparrow with a knife and fork strikes me as faintly ridiculous. Quails are food to eat with the fingers. And if the season for eating foods with the fingers has arrived, can summer and picnics proper be far behind?

SEARED SCALLOPS AND BACON WITH CARAMELISED CHICORY (serves two, or four as a first course)

For an even simpler dish than this, seared scallops and bacon can be scattered over a salad of fresh frizzy endive and watercress dressed with balsamic vinaigrette.

150g Witloof chicory; 75g peeled celeriac; scant 1 tablespoon each chopped parsley and coriander; 1 teaspoon balsamic vinegar; 1 tablespoon water; a little olive oil (if needed).

Slice the white of each scallop across into two discs; leave the corals whole. De-rind the bacon. Thoroughly frazzle the rinds in a hot pan to release all their fat. Cut

This is food to eat with the fingers, with naan and poppadoms being used as a scoop

the bacon into snippets, add them to the pan and fry until crisp. Discard the rinds and keep the bacon warm.

Cut the celeriac into batons and start frying it in the fat remaining in the pan. (Add a drop of oil if the bacon has not yielded enough fat to stop sticking.) After 1½-2 minutes, add the chicory, trimmed of its roots and cut lengthways into narrow wedges. Continue frying over fairly high heat, stirring every now and then, until the vegetables are browned at the edges and just cooked through - probably 3-4 minutes. Remove and keep warm.

Put the scallops into the hot pan and cook for about

added to the pan, the first will probably need turning. Toss the seared scallops gently with the bacon and vegetables. Quickly deglaze the pan with the vinegared water, letting it sizzle and bubble up before scraping every last drop over the hot salad. Season, toss again and serve with good bread.

MILDLY SPICED QUAILS ON POPPADOMS WITH MANGO, MINT AND CORIANDER (serves 4)

This is food to eat with the fingers, pieces of naan and poppadoms being used to scoop up the mango and herbs. Finger bowls and large napkins will be needed.

For the quails: 6 quails; 1½ tablespoons cumin seed; 2 teaspoons coriander seed; 1 fat garlic clove; a knob of fresh ginger root; 3 tablespoons chopped coriander leaves and stalks; 1 tablespoon chopped mint; the finely grated zest of a lime; a shake or two of Tabasco; 2½ tablespoons oil; 1 tablespoon lime juice.

To finish: 3 small or 2 large ripe mangoes; 1 lime; a small bunch each of coriander and mint; 4 poppadoms; naan bread.

Toast the cumin and coriander seed until warm and aromatic; crush to a powder with mortar and pestle. Chop the garlic and ginger finely, add them to the mortar together with some salt, and pound to a rough paste. Add the chopped herbs and zest and pound again. Add the Tabasco, 1½ tablespoons oil and 1½ tablespoons lime juice and mix well. Using a forefinger, carefully lift the skin at the neck

over the breast and thighs, and spread some of the fragrant paste over the meat. Smear the scant remains of the paste over the skin of the quails. Thread them on to skewers to facilitate grilling: run the skewers through the body cavities, securing them at one end by skewering them through crossed wings stretched over their heads (so to speak), and at the other end by stretching out and skewering the legs. Leave for at least half an hour, preferably a couple of hours before cooking so flavours blend and infuse.

Peel and dice the mangoes and toss in a good squeeze of lime juice, adding several spoonfuls each of chopped mint and coriander leaves and a grinding of black peppercorns.

Cook the poppadoms - if you share my hatred of frying them, simply place them in an oven heated to maximum for a few seconds to crisp them. (Everything up to this stage can be prepared ahead.)

Shortly before serving, lay the poppadoms on plates to warm in a low oven. Paint the birds with the remaining 1½ tablespoons lime and 1 tablespoon oil mixed together, and cook under a fully heated grill, turning them once or twice - 12 to maximum 15 minutes using my grill.

Let the birds rest while you splash the naan breads with cold water and toast them under the grill for one minute on each side. Then slip the birds off the skewers, cut them in half and pile two halves on each poppadom; put the rest in a

and coriander leaves round the poppadoms and/or scatter them over the birds just before bringing them to table. Hand around the naan, mango relish and extra quail separately.

PINK RHUBARB KISSEL (serves 4)

Soft, trembling and exquisitely fruity.

375g-400g trimmed weight forced rhubarb; the juice and finely grated zest of 1 orange; ¼ teaspoon ground cinnamon; 75g sugar; 20g cornflour.

Cut the rhubarb into short lengths. Sprinkle with cinnamon and orange zest, and pour on the orange juice plus cold water to make 800 ml. Cover and simmer gently until the fruit is meltingly tender. Then rub the contents of the pan through a sieve.

Cream the cornflour to a paste with a few spoonfuls of the pink puree in the rinsed out pan. Add two-thirds of the sugar and gradually stir in the rest of the puree. Bring to the boil, stirring, and boil for 1 minute.

Add more sugar to taste and cool for 5 minutes. Stir, pour into small glasses and leave until softly set. Serve chilled with pouring cream and crisp little almond biscuits.

A diet of fish and coconuts

Someone has to do it. Giles MacDonogh tries Maldivian cooking

I cannot always be easy for the chef or food and beverage manager of a luxury resort in the Maldives. It would be nice to feed the holiday makers with a few local ideas, but this is not France or even India, which have rich and courtly culinary repertoires. The islanders have subsisted since the beginning of time on the simplest and healthiest of diets - just fish and coconuts.

Given the limitations of the ingredients, some of their dishes are remarkably good. Smoked and dried fish is made into balls with potatoes and chillies; fresh fish is shredded and combined with coconut meat in little samosa-like packets. Fish is simply grilled or curried using a spice-mix of coriander seeds, black pepper, cumin and fennel seeds. This is then made into a paste with king-coconut milk and fired with chillies. There are chapati-like breads, but otherwise the ballast comes from bread fruit.

A chef might derive some ideas from all that (the fish balls would make good bar snacks) but he cannot really dish up that sort of cooking to a sophisticated international crowd paying anything up to \$600 a night for their accommodation. This means having recourse to the markets in Colombo for your fruit and vegetables, or the more expensive one in Dubai for your meat. The only local food which is likely to appear in the kitchen is fish.

For a western trained chef the sheer profusion of unusual fishes in the Maldives presents a hard, but interesting challenge. You only have to see them in the fish market in Male when the boats come back in the afternoon: bonitos and marlin the size of small whales and hundreds of shiny bullet-like creatures you would be hard pressed to put a name to.

Escoffier's classical bible cannot help you here, and local cooks would only tell you how to carry them. Each fish has to be identified and sampled to discover how to get the best out of it.

At the Sonevafushi resort, on Kunfunadhoo Island, British born and partly north Indian-trained Sanjay Dwivedi was standing in for three months after a stint as head-chef at the fashionable Atlantic Bar and Grill in London. Fishermen from the local islands appeared at all times of the day, bringing with them the best of their catch. He had been there for a couple of months, but was already getting a feel for the fish.

Wahoo was the Indian or Sri Lankan Seer. A good, firm fleshed fish which he compared to swordfish. That other great Indian fish, the

pomfret was now an endangered species, and the fishermen (who simply trail a fly behind their dhonis) are obliged to throw it back. There was yellow fin tuna which he found disappointing: good for cutting into cubes and putting on skewers.

Rather more serious was the sailfish, which was meaty and full-flavoured. There was grey mullet, which did not look a bit like grey mullet eaten in the UK; and rainbow fish which he liked to compare with seabass, something which reminded me of disappointed Victorian colonialists in India who were prone to fantasise that seer was salmon, and pomfret was sole.

The other fish was a lottery, and an expensive one at that. We went into his kitchen to look at a strange

My two favourites were sail fish cut thickly and needle fish

red thing which had arrived that evening, then applied ourselves to the charts pinned up on the wall. It was clearly a grouper, but whether red or spotted, it was hard to say.

It appeared on the luncheon buffet the next day, grilled. The texture was light and delicate: it would have been better steamed. In general, however, the kitchens with their largely Sinhalese staff handled the fish well, keeping the flavour and adapting it to Dwivedi's other worldly ideas.

Apart from the grilled fish at lunch (mistrustful Italians asked for it to be grilled as a matter of course), seer came up on a permesian risotto under a rich tomato sauce; and rainbow fish under a lime and polenta crust. My two favourites were sail fish and needle fish. The former was cut into thick steaks and simply seared, then presented on a mound of couscous under a *ratna*. The needle fish is strong flavoured and gamey. Not for nothing do the locals think it the best of the lot: it is the one which stands up best to their brand of spicing.

I was agreeably surprised. Resort food so often tries so hard to please everyone that it ends up making no one happy. But I would have liked a little more of the Maldives on my plate, exotic and limited as it is.

Rooms at Sonevafushi start at \$215 (£132.50) low season, \$280 high season. Inquiries to Zenith Global Partners. Tel: 0171-371 3900. Fax: 0171-608 9966.

BARR VINTNERS

No-one sells more fine wine in the UK.

We make it easy and profitable to sell your wine.

Call or visit our website.

Contact Jonathan Stephens Tel: 0171 222 2222

www.barrvintners.co.uk

CLARET'S VINTAGE PORTS WANTED

We are looking for quality vintage ports for our business. Please contact us if you have any to sell.

WILKINSON VINTNERS LTD

Please Write Immediately, Tel: 0171 272 1982

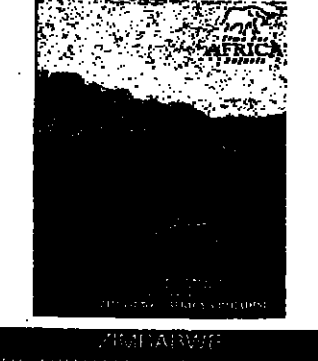
Bordeaux Wanted

We pay top prices for Classified Growths.

Contact Suse De Paolis on 0171-727 6846.

John Armit Wines Limited

1



AFRICA & THE INDIAN OCEAN SOUTH AMERICA

Enjoy luxury and seclusion in small exclusive camps and lodges. Excellent game viewing with top guides in open vehicles, boats, on foot or horseback. Light aircraft transfers a speciality.

Freephone 0800 376 9890
Tel: 0171 240 7585 Fax: 01489 878504
JOINT VENTURE TRAVEL PLC ATOL 4134

2



Royal Caribbean Cruise Line

one of the world's largest cruise lines - offering 12 modern superstars, more than 40 different itineraries, travelling to over 50 different destinations, taking cruising into the 21st century.

For a copy of our brochure call **0500 162016**

TRAVEL BROCHURE GUIDE 1997

3



AFRICA & THE INDIAN OCEAN SOUTH AMERICA

Experts in travel since 1947. Elegant hotels and classic safaris. Journeys tailor-made for the discerning individual.

OUR HERITAGE IS YOUR ASSURANCE
UNION-CASTLE TRAVEL, 86/87 Camden St., London W9 7EN Tel: 0171 229 1411
ABTA V8887 ATOL 2949

4

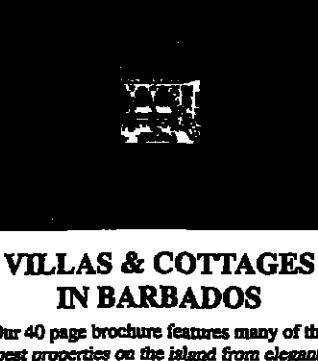


FINE FRENCH GOLF HOLIDAYS.

Elegant hotels, luxurious villas, country houses, truly outstanding golf courses. Sumptuous cuisine and wines all included.

Tel: 01737 21 18 18
Fax: 01737 21 18 20

5



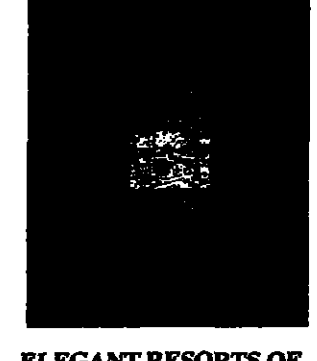
VILLAS & COTTAGES IN BARBADOS

Our 40 page brochure features many of the best properties on the island from elegant seaside villas to rustic cottages. All are fully staffed.

Elegant Resorts

Call 01244 897 006

6

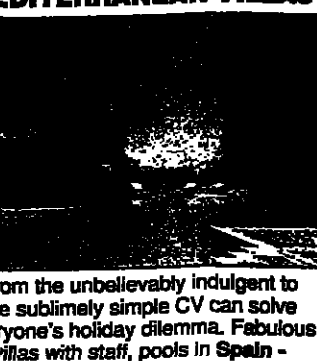


ELEGANT RESORTS OF EUROPE

Our 136 page collection of the very best luxury resorts and romantic hideaway hotels in Italy, Spain, France, Portugal, Cyprus, Morocco and Ireland includes 16 pages of city breaks, luxury sailing, a choice of golf resorts and the Orient Express.

Call 01244 897 777.

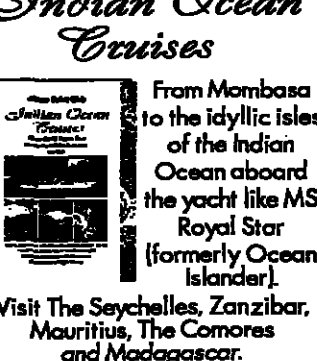
7 MEDITERRANEAN VILLAS



From the unbelievably indulgent to the subtly simple CV can solve everyone's holiday dilemma. Fabulous villas with staff, pools in Spain - Mallorca - Portugal - Italy - Corsica - Morocco - Greek Islands of Corfu & Paxos. We know every villa intimately. Flights and car hire arranged.

Call CV Travel's 24 hour brochure line (specifying country preferred):
Tel: 0171 589 0132 Fax: 0171 584 5229
ABTA ATOL 387 ATTO

8 Indian Ocean Cruises



From Mombasa to the idyllic isles of the Indian Ocean aboard the yacht like MS Royal Star (formerly Ocean Islander).

Visit The Seychelles, Zanzibar, Mauritius, The Comoros and Madagascar.

14 nights from £1800 pp
Add a safari from just £175
For further details telephone:
0181 466 0014
African Safari Club
ABTA V4000 ATOL 2313

9 The Best of France



Tailor-made holidays to the best hotels

- Châteaux hotels
- Other top hotels
- Wine Specials
- Ferry or Shuttle with own car
- Fly-drive

Unicorn Holidays

01582 83 4400
ATOL 3051 ABTA V1014 ATTO

10 The Best of Spain & Portugal with Mallorca




Tailor-made holidays to the best hotels

- Paradores
- Other top hotels
- Manor houses
- Fly-drive or ferry with own car

Unicorn Holidays

01582 83 4400
ATOL 3051 ABTA V1014 ATTO

11 The Annabelle



"An elegant five star hotel of uncompromising character and charm located in tropical landscaped gardens on the shore of Paphos on the Mediterranean island of Cyprus."

In 1997 The Annabelle will be celebrating the long and established history of Cypriot wine.

Please contact:
THANOS HOTELS
Tel: 0181 343 4044 Fax: 0181 343 0663
THANOS HOTELS

12 EXPLORE



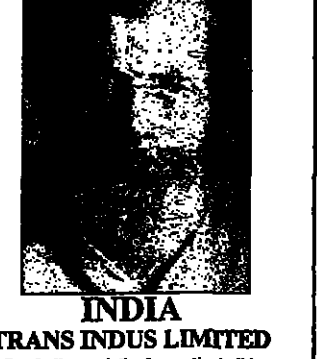
EXPLORE WORLDWIDE
Small group exploratory holidays

Adventure tours, wildlife safaris, mountain walks & treks, tribal encounters, astrophysics, sea travel and river journeys.

Choose from 8 days to 6 weeks. Europe, Middle East, Africa, Asia, Australasia, Americas...

For 104 page colour brochure contact:
Explore Worldwide (FT), Aldenot, GU11 1LQ
Tel: 01222 944181 (24 hrs) Banded ATOL/ATOL 2595

13 INDIA TRANS INDUS LIMITED



the leading India specialist for quality holidays offering

- Escorted group tours
- Tours for independent travellers
- Tailor-made holidays
- Guest lecturer tours led by Lady Wade-Grey, MA (Oxon)

Call: 0181 566 2729 or Fax: 0181 840 5327
or write to Trans Indus Limited, 11 The Pavement, Popes Lane, Ealing, London W5 4NG
ABTA V0705 ATOL 3429

14 The Best of Europe 1997



Discover the real Europe

The highest quality escorted and independent walking holidays in Europe.

01865 513333
ALTERNATIVE TRAVEL GROUP
69-71 Banbury Road
Oxford OX2 6PE


15 Historic House Hotels



Prices start from £86 per person per night (minimum stay 2 nights) for sumptuous dinner, bed and full English (or Welsh) breakfast.

HISTORIC HOUSE HOTELS 15

16 South West Lincolnshire



For golf, cycling, walking, heritage and shortbreak holidays in the English countryside. Self-catering cottages from £90.00 for two nights, quality hotels & inns from £60 pp for two nights including breakfast and evening meal.

TEL: 01476 590191

TRAVEL BROCHURE GUIDE ORDER FORM

Please tick the appropriate box for the travel brochures you would like to receive, enter your own name and address and then send or fax this coupon to the address shown. Replies must be received no later than 12 April 1997.

1.	Time for Africa	<input type="checkbox"/>
2.	Royal Caribbean	<input type="checkbox"/>
3.	Union Castle	<input type="checkbox"/>
(a)	Africa & Indian Ocean	<input type="checkbox"/>
(b)	South America	<input type="checkbox"/>
4.	Golf Par Excellence	<input type="checkbox"/>
5.	Elegant Resorts - Barbados	<input type="checkbox"/>
6.	Elegant Resorts - Europe	<input type="checkbox"/>
7.	CV Travel	<input type="checkbox"/>
8.	Africa Safari Club	<input type="checkbox"/>
9.	Unicorn Holidays - France	<input type="checkbox"/>
10.	Unicorn Holidays - Spain	<input type="checkbox"/>
11.	Thanos Hotels	<input type="checkbox"/>
12.	Explore	<input type="checkbox"/>
13.	Trans Indus	<input type="checkbox"/>
14.	Alternative Travel	<input type="checkbox"/>
15.	Historic House Hotel	<input type="checkbox"/>
16.	South West Lincolnshire	<input type="checkbox"/>
17.	Travel Bag	<input type="checkbox"/>
18.	Thailand TB	<input type="checkbox"/>
19.	HF Holidays	<input type="checkbox"/>
20.	Italian Expressions	<input type="checkbox"/>
21.	Silvera	<input type="checkbox"/>
22.	Wiltshire	<input type="checkbox"/>
23.	South East Cornwall	<input type="checkbox"/>
24.	Capital Region USA	<input type="checkbox"/>
25.	Derby	<input type="checkbox"/>
26.	North Cornwall	<input type="checkbox"/>
27.	Tall Stories	<input type="checkbox"/>

WEEKEND FT 1997 TRAVEL BROCHURE SERVICE

Financial Times Holiday '97, Department FT01, 1 Upcott Avenue, Barnstaple, EX31 1HN. FAX: 01271 328 422

The information you provide will be held by the Financial Times and may be used to keep you informed of FT products and by other selected companies for mailing list purposes. The FT is registered under the Data Protection Act 1984. Financial Times, Number One Southwark Bridge, London SE1 9UL. Please tick this box if you do not wish to receive any further information from the FT Group or companies approved by the FT Group. ☐

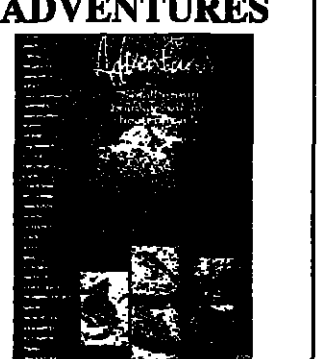
TITLE _____ INITIAL _____ SURNAME _____

ADDRESS _____

POSTCODE _____

DAYTIME TELEPHONE _____

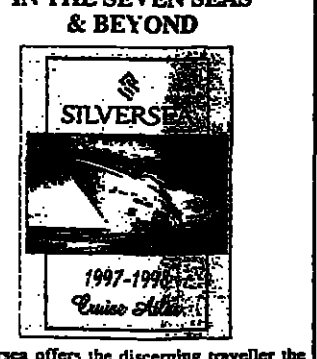
17 TRAVELBAG ADVENTURES



THIS YEAR join a small group holiday off the beaten track. Middle East, Africa, Asia, Southeast Asia, North America & Latin America. PLUS a brand new adventure tour to Thailand from £755 including flights.

For your FREE brochure and full details call 01420 541007.
(Regular Slide Presentations. Open 7 days a week).

21 SIX STAR CRUISING IN THE SEVEN SEAS & BEYOND



Silvera offers the discerning traveller the ultimate ultra luxury way of exploring the Seven Seas and beyond in 1997, with prices starting at £2,995pp. All-inclusive.

Call now for our worldwide brochure, and fulfil your dreams for new adventures.

Telephone: 0171 739 4029
Facsimile: 0171 613 2999
Please quote FT4

Travel Brochure Guide

April 26, June 14, Oct 4, Nov 15.

The Financial Times will again be offering the opportunity to advertise in our successful season of Travel Brochure Guides. With excellent colour reproduction and a reader reply service they provide you with an ideal platform to launch your season's brochure.

For more information or to reserve your space contact
Dominique Moseley
on 0171 873 3576

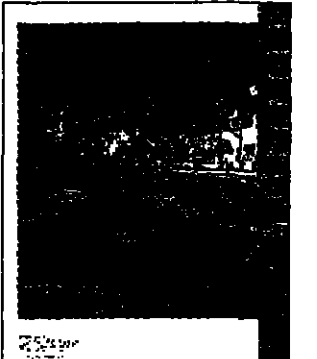
18 THAILAND



Stretching south from Bangkok facing the sunrise on the western coast of the gulf of THAILAND are the beach resorts of Cha-am and Hua Hin. Thailand's oldest beach resort, the site for a royal summer palace, named Klai Kangwon, meaning "Far From Worries" - an indication of Hua Hin's restful atmosphere.

Complete the coupon for information pack.

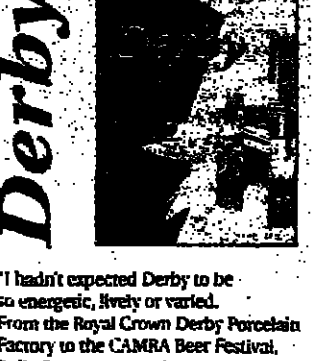
22 WILTSHIRE



On foot or in the saddle, enjoy 6000 years of history & unspoilt countryside. Just 2 hours from London.

FREE GUIDE
Dept. 22, PO Box 37,
Barnstaple EX32 8YS
Tel: 01271 329522 (24 hrs)

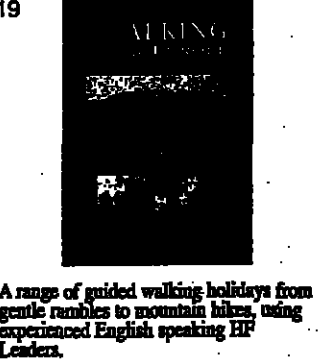
Derby



"I hadn't expected Derby to be so energetic, lively or varied. From the Royal Crown Derby Porcelain Factory to the CAMRA Beer Festival, Rolls-Royce aero-engines to Joseph Wright of Derby Paintings - there's something for everyone."

For FREE brochure telephone +44 (0)1332 256201.

19 HOLIDAYS IN EUROPE

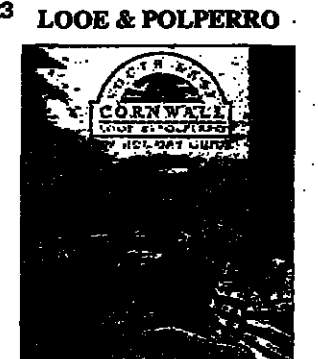


A range of guided walking holidays from gentle rambles to mountain hikes, using experienced English speaking HF Leaders.

- Half Board accommodation throughout the spring and summer months.
- Scheduled flights or make your own travel arrangements.
- Classic locations across Europe.

For a brochure ring **0181-905 9388 (24hrs)**
(Quote Ref No. 0017) ATOL 710 ABTOT No. 0008

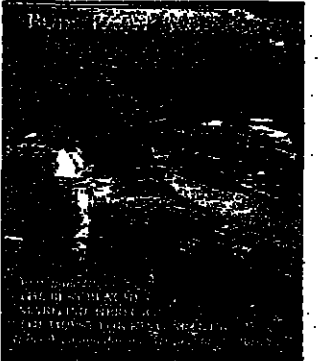
23 SOUTH EAST CORNWALL LOOE & POLPERRO



Cornish Cream - Sheltered coves, wooded valleys, moorland, small seas, hot parties, warm sunsets, amazing beaches.

FREE BROCHURE
(01579) 341035 anytime

25 NORTH CORNWALL



Over 60 miles of Atlantic cliffs, coves and beaches, wooded valleys and the wilds of Bodmin Moor. Come visit us now.

FREE colour guide.
Tel: (01208) 78849 (24 hrs)

20 ITALIAN EXPRESSIONS




The Flavour of Italy

Experience the Flavour of Italy with Italian Expressions. We offer holidays in some of the most characterful and picturesque towns in Italy, from grand palaces to country manorhouses. From the Lakes and the Dolomites in the north to Sicily in the south, we offer the popular regions such as Tuscany, Umbria and the Amalfi Coast and also less well-known areas such as Lucca, Ravenna, Calabria and the Aeolian Islands. Ideal for long-term, romantic holidays, special occasions and city breaks.

(ATOL 3076, ATOL 1002)
To discuss your holiday plans or for a copy of our brochure, please call:
Italian Expressions 0171 435 2528

24 CAPITAL REGION USA



Washington, DC, Maryland, Virginia - all that is best about America.

- cosmopolitan cities - scenic wilderness
- sandy beaches - charming historic villages - theatres, museums, shopping

For a guide call **01234 267 929**

27 BORED WITH THE BEACH?



Try adventure sports from paragliding in Austria, canyoning in Greece, trekking in the French Alps to canoeing in NW Scotland. Experience 5 adventures in one week or less to the limit. Travelling specialists who enjoy excellent service, good food and fun.

Call Tall Stories now on 01271 328 422
EMAIL: 1017741350@bt.com

JOY COLISA

COLLECTING

All the fun of the antique fairs

There is a plethora from which to choose, says Antony Thorncroft

This month everyone's going to the fair. For years now there has been a general amazement among dealers that new antique fairs can not only appear on the calendar, but also prosper.

Even the dealers who fail to make a profit cheer themselves up with the thought that fairs provide excellent opportunities to meet new clients, some of the casual contacts do visit the shop later and buy.

This month fairs are everywhere, both well established, such as Maastricht, opening for eight days next Saturday and celebrating its 10th year, and the nearly new, like the International Asian Art Fair in New York, which returns for a second time to the 67th Street Armory on March 22.

Throw in the Original Print Fair at the Royal Academy in London this weekend; the Spring Olympia, with more than 140 dealers bravely embracing everything from 18th century brown furniture to contemporary art, also closing tomorrow; the annual Bada Fair at the Duke of York's HQ in King's Road, London, from March 12, which coincides with the popular Chelsea Fair along the road at the Chelsea Town Hall (opening on March 13), and you have enough selling opportunities to keep busy all the main dealers, and many of the middle-sized.

This great crush of fairs owes something to an early Easter and more to the dealers' faith that it is better to be at a fair - even though it can cost £50,000 to transport stock and staff abroad for the experience - than sit in an empty shop. Fairs provide a feeling of enterprise and they can also prove very profitable.

Undoubtedly the fair to emulate is Maastricht. It may be housed in a multi-

purpose exhibition centre but its location in the south of the Netherlands, hard by Germany, Belgium and France, makes it a compelling draw for rich collectors; last year so many private jets landed in on the tiny airport that some had to be diverted to Brussels.

Such potentially big spenders naturally appeal to dealers from around the world, almost 170 of whom jostle together in comparative splendour. Maastricht is undoubtedly the international fair, attracting 55,000 visitors to a small Dutch town. Traditionally it has been

associated with Dutch and Flemish Old Masters, and on the stand of New York dealer Richard Feigen, a first-time exhibitor, there will be a work by the Dutch Italianate artist Nicolaes Berchem (priced at \$750,000), while Agnew's is offering a flower still-life by Verbruggen. Kunstsalen A. Vecht of Amsterdam has a Bernini bronze; Colnaghi, a Fragonard drawing; and Richard Green will show a Barend Koekkoek.

In recent years, the modern art section at Maastricht has improved, drawing in Waddington Galleries, which is offering a Max Ernst as well as a Barry Flanagan, and newcomer Galerie Piltzer of Paris, with a Fernand Léger oil.

Throw in antiquities, works of art, textiles, books and jewellery - the most expensive item for sale will be a gold falcon, priced at more than \$8m on Harry Winston's stand - and you have just the kind of array of top-quality, vetted antiques likely to appeal to the super-rich who collect the best across all fields. And, unlike at an auction, at Maastricht you can always bargain down the asking price, for it is a fair at which the dealers are really keen to sell.

The fact that the Asian Art Fair in New York has been able to draw away from Maastricht some oriental dealers, such as John Eskenzi, says much. It covers the

right area - oriental art has boomed on the back of rich, new collectors from south-east Asia, in particular from South Korea, Taiwan and Singapore, as well as Hong Kong (and now China) - in the right place; no one disputes that New York is now the centre of the international art market.

The new collecting areas are well represented: Chinese furniture and Chinese 20th century paintings (which have seen the greatest price appreciation of any antique sector in the past decade); Korean ceramics (a Korean dragon jar sold for \$5.1m last year, a record for any object from Asia); and Indian antiquities. Last year's total of 13,000 visitors, who generated at least \$30m worth of sales, should be comfortably exceeded.

At one time, organisers Anna and Brian Haughton hoped to nab the top British oriental dealer Giuseppe Eskenazi, who has never shown at a fair. He decided against it but is doing the next best thing - offering pottery figures from the Han and Tang dynasties at premises on 28 East 7th Street from March 19 for eight days.

Any serious collector of Asian art will be in New York this month (Sotheby's and Christie's are holding auctions, too) just as aficionados of prints will be at the Original Print Fair at the Royal Academy this weekend. Gathered together will



A treaty at Maastricht? Galerie Lingersh of Düsseldorf and Paris hopes to sell this Lorenzo Lotto

be 24 leading dealers in the field, from Hill-Stone of New York, showing Rembrandt and Dürer, among other Old Masters, to Flowers Graphix, with Terry Frost, Nicola Hicks *et alia*, making the case for the moderns. Prices will range from around £30 to £100,000 for an unrecorded print by Kirchner on the Garton stand.

The Print Fair is small and intimate, not a description usually applied to antiques

events at Olympia. The fair is aimed at the cultivated home furnisher and has no period restrictions, so works by sculptor Elizabeth Frink, potter Hans Coper and artist Craigie Aitchison mingle with traditional antiques. It is also being used by overseas dealers, especially the French, to meet the Americans who might come to London while missing out Paris.

One intriguing French par-

ticipant is Acteon, which specialises in models, in particular wooden versions of aircraft used as prototypes for the real thing. It also has models produced in earlier centuries by craft apprentices, the original "master-works".

To survive in the current climate, fairs must develop unique characters. The Bada Fair in Chelsea has one important asset - it is put together by the British

Antique Dealers Association, so the 75 exhibitors offer all the right guarantees.

The Bada also aims to be fun. It has top-class catering, including period dinners offering menus from past centuries; masterclasses on particular collecting fields, including "ladies' dressing table accessories from the 17th-18th centuries"; a study exhibition featuring the development of the chair, as well as a decorative display of the kind of antiques, especially furniture, that traditional British collectors like to live with.

Conveniently close to the Duke of York's is the Chelsea Fair. This started in 1850, when fairs were rare, and it has developed a strong local following. It is tough on dates and authenticity, offers little over £10,000 and much that is a good deal less; and nicely complements the grander offerings along King's Road.

This rash of fairs takes place at a hopeful time. Some of the feel-good factor is beginning at last, after seven years, to filter through to the antique dealers. The furniture specialists in particular are doing much better.

March, for many dealers, will confirm that trade is picking up; for others it will be the final proof that antique collecting holds little interest for the younger generation.

The Dictionary of Art

'As a reference work, there is nothing to compare with *The Dictionary of Art*. People who work in the arts - lecturers, curators, dealers, researchers and journalists - will find it impossible to do their jobs without the magnificent resource now available to them'

Richard Denson, *Daily Telegraph*, 14 December 1996

For a free information pack telephone: +44 (0)171 881 8356 fax: +44 (0)171 881 8357 e-mail: eh@macmillan.co.uk web site: <http://www.grovetartmusic.com>

MACMILLAN

AGNEW'S

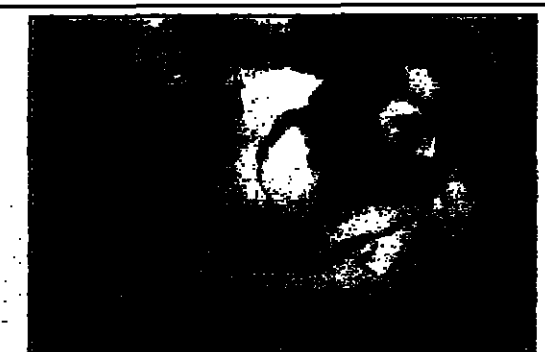


Gabriel Metsu (1629-1667) *The Fishwife*

We will be exhibiting at The European Fine Art Fair, Maastricht Stand No. 412 March 7-16, 1997

43, Old Bond Street, London W1X 4BA

Tel: 0171 629 6176 Fax: 0171 629 4359



Robert Rauschenberg
New Drawings
The Exhibition opens Wednesday 12th March - throughout March
Human feelings are common to us all and it is to this part of our emotions that art most readily appeals. Robert Rauschenberg's ability to portray feeling within her work is probably the reason for her recent popularity.
In this collection of Rauschenberg's latest drawings, the figures are sculpted in pencil, ink and charcoal, most soft edges and textured applications in spontaneous response to the human spirit she finds within her subjects.
There are fifty works available in this exhibition.
Prices from £750-4450
Fully illustrated catalogue available @ £3.00 inc p&p

DAVID MESSUM

8 Cork Street, London W1X 1PB Tel: 0171 431 5545
Opening Times: Weekdays 10 am - 6 pm Saturday 10 am - 4 pm



Fernand Léger *Construction Metallurgique*, 1951 oil on canvas, 65 x 54 cm

THE INTERNATIONAL ASIAN ART FAIR

22-26 MARCH 1997

Saturday, Monday, Tuesday: 11.00am-8.00pm
Sunday, Wednesday: 11.00am-7.00pm

Benefit Preview for the ASIA SOCIETY Friday, 21 March

THE SEVENTH REGIMENT ARMORY
PARK AVENUE AT 67TH STREET, NEW YORK CITY

Information: New York (212) 542 8572 or London (0171) 734 5491
<http://www.demon.co.uk/haughton> or email: info@haughton.com



THE DUKE OF YORK'S HEADQUARTERS, CHELSEA, LONDON SW3

12-18 MARCH 1997

CHARITY GALA EVENING 13 MARCH
TICKETS: TEL: 0171 823 4243

OPEN: 11.00am-8.00pm CLOSING: FIRST DAY AT 9.00pm
THURSDAY 13 MARCH AT 5.30pm LAST DAY AT 6.00pm
PERIOD DINNER 14 MARCH
ORGANIZERS - TEL: 0171 730 6730

MARLBOROUGH

The European Fine Art Fair
Maastricht 8-16 March, 1997
Stand 324

Stand Telephone: +31-43-383 87 21
Stand Telefax: +31-43-383 87 33



Fernand Léger *Construction Metallurgique*, 1951 oil on canvas, 65 x 54 cm

Gallery Address: Marlborough Fine Art (London) Ltd
6 Albemarle Street, London W1X 4BY
Tel: +44-171-629 5161 Telefax: +44-171-629 6336

Piero Corsini Inc.
Old Master Paintings

162 East 63rd Street, New York, NY 10021
Tel: (212) 371 6455 Fax: (212) 755 0792
E-mail: corsini@oldmasters.com

RICHARD GREEN



Willem van Aelst (1627-circa 1683)
Flowers on a stone ledge with butterflies, a snail and a spider
Signed and dated 1666. Canvas: 31 1/2 x 26 in / 79.3 x 66 cm

Exhibiting at The European Fine Art Fair
Maastricht, The Netherlands
8th-16th March 1997, Stand number 316

33 New Bond Street, London W1Y 9HD
Telephone: 0171 499 5553. Fax: 0171 499 8509
New York: 518 583 2060

COLNAGHI



CORNELIS VAN HAARLEM
1562 - Haarlem - 1638
A Study of Two Caddises Oil on panel: 38.2 x 26.5 cm

Exhibiting at
The European Fine Art Fair, Maastricht
8-16 March - Stand 420


15 Old Bond Street London W1X 4JL
Telephone: (0044) 171-491 7408 Facsimile: (0044) 171-491 8851

PAULUS SWAEN
OLD MAPS & PRINTS
INTERNET AUCTION
TEFAF - Booth 226

March 25th 1997 Internet Auction of Maps, Atlases, Globes, Prints, Medieval Manuscripts.
<http://www.swaen.com>

THE INTERNATIONAL FINE ART FAIR
DRAWINGS, SCULPTURE
MAY 9-14, 1997
Daily 11am-6pm Sunday & last day 11am-7pm
Benefit Preview for THE SEVENTH REGIMENT ARMORY
PARK AVENUE AT 67TH STREET, NEW YORK CITY
Information: New York (212) 542 8572 or London (0171) 734 5491
<http://www.demon.co.uk/haughton> or email: info@haughton.com

ON THE INSTRUCTIONS OF
SHELLY HOMES
HENLEY-ON-THAMES
Wyfold Court
MANSION
OXFORDSHIRE



41,500 SQ FT (G.I.A.)
FOR SALE - Grade II* Listed Mansion
CLASS C2 WITH PLANNING CONSENT FOR CONVERSION TO 11 APARTMENTS
SUITABLE FOR A NUMBER OF ALTERNATIVE USES
(SUBJECT TO URBAN GRANTS - INCLUDING)
HOTEL - COUNTRY CLUB - CONFERENCE CENTRE - CORPORATE HEADQUARTERS
EDUCATIONAL - SINGLE FAMILY RESIDENCE

FOR FURTHER INFORMATION CONTACT
JEREMY SYMONDS
HAMPTONS
111, 113, 115, 117, 119, 121, 123, 125, 127, 129, 131, 133, 135, 137, 139, 141, 143, 145, 147, 149, 151, 153, 155, 157, 159, 161, 163, 165, 167, 169, 171, 173, 175, 177, 179, 181, 183, 185, 187, 189, 191, 193, 195, 197, 199, 201, 203, 205, 207, 209, 211, 213, 215, 217, 219, 221, 223, 225, 227, 229, 231, 233, 235, 237, 239, 241, 243, 245, 247, 249, 251, 253, 255, 257, 259, 261, 263, 265, 267, 269, 271, 273, 275, 277, 279, 281, 283, 285, 287, 289, 291, 293, 295, 297, 299, 301, 303, 305, 307, 309, 311, 313, 315, 317, 319, 321, 323, 325, 327, 329, 331, 333, 335, 337, 339, 341, 343, 345, 347, 349, 351, 353, 355, 357, 359, 361, 363, 365, 367, 369, 371, 373, 375, 377, 379, 381, 383, 385, 387, 389, 391, 393, 395, 397, 399, 401, 403, 405, 407, 409, 411, 413, 415, 417, 419, 421, 423, 425, 427, 429, 431, 433, 435, 437, 439, 441, 443, 445, 447, 449, 451, 453, 455, 457, 459, 461, 463, 465, 467, 469, 471, 473, 475, 477, 479, 481, 483, 485, 487, 489, 491, 493, 495, 497, 499, 501, 503, 505, 507, 509, 511, 513, 515, 517, 519, 521, 523, 525, 527, 529, 531, 533, 535, 537, 539, 541, 543, 545, 547, 549, 551, 553, 555, 557, 559, 561, 563, 565, 567, 569, 571, 573, 575, 577, 579, 581, 583, 585, 587, 589, 591, 593, 595, 597, 599, 601, 603, 605, 607, 609, 611, 613, 615, 617, 619, 621, 623, 625, 627, 629, 631, 633, 635, 637, 639, 641, 643, 645, 647, 649, 651, 653, 655, 657, 659, 661, 663, 665, 667, 669, 671, 673, 675, 677, 679, 681, 683, 685, 687, 689, 691, 693, 695, 697, 699, 701, 703, 705, 707, 709, 711, 713, 715, 717, 719, 721, 723, 725, 727, 729, 731, 733, 735, 737, 739, 741, 743, 745, 747, 749, 751, 753, 755, 757, 759, 761, 763, 765, 767, 769, 771, 773, 775, 777, 779, 781, 783, 785, 787, 789, 791, 793, 795, 797, 799, 801, 803, 805, 807, 809, 811, 813, 815, 817, 819, 821, 823, 825, 827, 829, 831, 833, 835, 837, 839, 841, 843, 845, 847, 849, 851, 853, 855, 857, 859, 861, 863, 865, 867, 869, 871, 873, 875, 877, 879, 881, 883, 885, 887, 889, 891, 893, 895, 897, 899, 901, 903, 905, 907, 909, 911, 913, 915, 917, 919, 921, 923, 925, 927, 929, 931, 933, 935, 937, 939, 941, 943, 945, 947, 949, 951, 953, 955, 957, 959, 961, 963, 965, 967, 969, 971, 973, 975, 977, 979, 981, 983, 985, 987, 989, 991, 993, 995, 997, 999, 1001, 1003, 1005, 1007, 1009, 1011, 1013, 1015, 1017, 1019, 1021, 1023, 1025, 1027, 1029, 1031, 1033, 1035, 1037, 1039, 1041, 1043, 1045, 1047, 1049, 1051, 1053, 1055, 1057, 1059, 1061, 1063, 1065, 1067, 1069, 1071, 1073, 1075, 1077, 1079, 1081, 1083, 1085, 1087, 1089, 1091, 1093, 1095, 1097, 1099, 1101, 1103, 1105, 1107, 1109, 1111, 1113, 1115, 1117, 1119, 1121, 1123, 1125, 1127, 1129, 1131, 1133, 1135, 1137, 1139, 1141, 1143, 1145, 1147, 1149, 1151, 1153, 1155, 1157, 1159, 1161, 1163, 1165, 1167, 1169, 1171, 1173, 1175, 1177, 1179, 1181, 1183, 1185, 1187, 1189, 1191, 1193, 1195, 1197, 1199, 1201, 1203, 1205, 1207, 1209, 1211, 1213, 1215, 1217, 1219, 1221, 1223, 1225, 1227, 1229, 1231, 1233, 1235, 1237, 1239, 1241, 1243, 1245, 1247, 1249, 1251, 1253, 1255, 1257, 1259, 1261, 1263, 1265, 1267, 1269, 1271, 1273, 1275, 1277, 1279, 1281, 1283, 1285, 1287, 1289, 1291, 1293, 1295, 1297, 1299, 1301, 1303, 1305, 1307, 1309, 1311, 1313, 1315, 1317, 1319, 1321, 1323, 1325, 1327, 1329, 1331, 1333, 1335, 1337, 1339, 1341, 1343, 1345, 1347, 1349, 1351, 1353, 1355, 1357, 1359, 1361, 1363, 1365, 1367, 1369, 1371, 1373, 1375, 1377, 1379, 1381, 1383, 1385, 1387, 1389, 1391, 1393, 1395, 1397, 1399, 1401, 1403, 1405, 1407, 1409, 1411, 1413, 1415, 1417, 1419, 1421, 1423, 1425, 1427, 1429, 1431, 1433, 1435, 1437, 1439, 1441, 1443, 1445, 1447, 1449, 1451, 1453, 1455, 1457, 1459, 1461, 1463, 1465, 1467, 1469, 1471, 1473, 1475, 1477, 1479, 1481, 1483, 1485, 1487, 1489, 1491, 1493, 1495, 1497, 1499, 1501, 1503, 1505, 1507, 1509, 1511, 1513, 1515, 1517, 1519, 1521, 1523, 1525, 1527, 1529, 1531, 1533, 1535, 1537, 1539, 1541, 1543, 1545, 1547, 1549, 1551, 1553, 1555, 1557, 1559, 1561, 1563, 1565, 1567, 1569, 1571, 1573, 1575, 1577, 1579, 1581, 1583, 1585, 1587, 1589, 1591, 1593, 1595, 1597, 1599, 1601, 1603, 1605, 1607, 1609, 1611, 1613, 1615, 1617, 1619, 1621, 1623, 1625, 1627, 1629, 1631, 1633, 1635, 1637, 1639, 1641, 1643, 1645, 1647, 1649, 1651, 1653, 1655, 1657, 1659, 1661, 1663, 1665, 1667, 1669, 1671, 1673, 1675, 1677, 1679, 1681, 1683, 1685, 1687, 1689, 1691, 1693, 1695, 1697, 1699, 1701, 1703, 1705, 1707, 1709, 1711, 1713, 1715, 1717, 1719, 1721, 1723, 1725, 1727, 1729, 1731, 1733, 1735, 1737, 1739, 1741, 1743, 1745, 1747, 1749, 1751, 1753, 1755, 1757, 1759, 1761, 1763, 1765, 1767, 1769, 1771, 1773, 1775, 1777, 1779, 1781, 1783, 1785, 1787, 1789, 1791, 1793, 1795, 1797, 1799, 1801, 1803, 1805, 1807, 1809, 1811, 1813, 1815, 1817, 1819, 1821, 1823, 1825, 1827, 1829, 1831, 1833, 1835, 1837, 1839, 1841, 1843, 1845, 1847, 1849, 1851, 1853, 1855, 1857, 1859, 1861, 1863, 1865, 1867, 1869, 1871, 1873, 1875, 1877, 1879, 1881, 1883, 1885, 1887, 1889, 1891, 1893, 1895, 1897, 1899, 1901, 1903, 1905, 1907, 1909, 1911, 1913, 1915, 1917, 1919, 1921, 1923, 1925, 1927, 1929, 1931, 1933, 1935, 1937, 1939, 1941, 1943, 1945, 1947, 1949, 1951, 1953, 1955, 1957, 1959, 1961, 1963, 1965, 1967, 1969, 1971, 1973, 1975, 1977, 1979, 1981, 1983, 1985, 1987, 1989, 1991, 1993, 1995, 1997, 1999, 2001, 2003, 2005, 2007, 2009, 2011, 2013, 2015, 2017, 2019, 2021, 2023, 2025, 2027, 2029, 2031, 2033, 2035, 2037, 2039, 2041, 2043, 2045, 2047, 2049, 2051, 2053, 2055, 2057, 2059, 2061, 2063, 2065, 2067, 2069, 2071, 2073, 2075, 2077, 2079, 2081, 2083, 2085, 2087, 2089, 2091, 2093, 2095, 2097, 2099, 2101, 2103, 2105, 2107, 2109, 2111, 2113, 2115, 2117, 2119, 2121, 2123, 2125, 2127, 2129, 2131, 2133, 2135, 2137, 2139, 2141, 2143, 2145, 2147, 2149, 2151, 2153, 2155, 2157, 2159, 2161, 2163, 2165, 2167, 2169, 2171, 2173, 2175, 2177, 2179, 2181, 2183, 2185, 2187, 2189, 2191, 2193, 2195, 2197, 2199, 2201, 2203, 2205, 2207, 2209, 2211, 2213, 2215, 2217, 2219, 2221, 2223, 2225, 2227, 2229, 2231, 2233, 2235, 2237, 2239, 2241, 2243, 2245, 2247, 2249, 2251, 2253, 2255, 2257, 2259, 2261, 2263, 2265, 2267, 2269, 2271, 2273, 2275, 2277, 2279, 2281, 2283, 2285, 2287, 2289, 2291, 2293, 2295, 2297, 2299, 2301, 2303, 2305, 2307, 2309, 2311, 2313, 2315, 2317, 2319, 2321, 2323, 2325, 2327, 2329, 2331, 2333, 2335, 2337, 2339, 2341, 2343, 2345, 2347, 2349, 2351, 2353, 2355, 2357, 2359, 2361, 2363, 2365, 2367, 2369, 2371, 2373, 2375, 2377, 2379, 2381, 2383, 2385, 2387, 2389, 2391, 2393, 2395, 2397, 2399, 2401, 2403, 2405, 2407, 2409, 2411, 2413, 2415, 2417, 2419, 2421, 2423, 2425, 2427, 2429, 2431, 2433, 2435, 2437, 2439, 2441, 2443, 2445, 2447, 2449, 2451, 2453, 2455, 2457, 2459, 2461, 2463, 2465, 2467, 2469, 2471, 2473, 2475, 2477, 2479, 2481, 2483, 2485, 2487, 2489, 2491, 2493, 2495, 2497, 2499, 2501, 2503, 2505, 2507, 2509, 2511, 2513, 2515, 2517, 2519, 2521, 2523, 2525, 2527, 2529, 2531, 2533, 2535, 2537, 2539, 2541, 2543, 2545, 2547, 2549, 2551, 2553, 2555, 2557, 2559, 2561, 2563, 2565, 2567, 2569, 2571, 2573, 2575, 2577, 2579, 2581, 2583, 2585, 2587, 2589, 2591, 2593, 2595, 2597, 2599, 2601, 2603, 2605, 2607, 2609, 2611, 2613, 2615, 2617, 2619, 2621, 2623, 2625, 2627, 2629, 2631, 2633, 2635, 2637, 2639, 2641, 2643, 2645, 2647, 2649, 2651, 2653, 2655, 2657, 2659, 2661, 2663, 2665, 2667, 2669, 2671, 2673, 2675, 2677, 2679, 2681, 2683, 2685, 2687, 2689, 2691, 2693, 2695, 2697, 2699, 2701, 2703, 2705, 2707, 2709, 2711, 2713, 2715, 2717, 2719, 2721, 2723, 2725, 2727, 2729, 2731, 2733, 2735, 2737, 2739, 2741, 2743, 2745, 2747, 2749, 2751, 2753, 2755, 2757, 2759, 2761, 2763, 2765, 2767, 2769, 2771, 2773, 2775, 2777, 2779, 2781, 2783, 2785, 2787, 2789, 2791, 2793, 2795, 2797, 2799, 2801, 2803, 2805, 2807, 2809, 2811, 2813, 2815, 2817, 2819, 2821, 2823, 2825, 2827, 2829, 2831, 2833, 2835, 2837, 2839, 2841, 2843, 2845, 2847, 2849, 2851, 2853, 2855, 2857, 2859, 2861, 2863, 2865, 2867, 2869, 2871, 2873, 2875, 2877, 2879, 2881, 2883, 2885, 2887, 2889, 2891, 2893, 2895, 2897, 2899, 2901, 2903, 2905, 2907, 2909, 2911, 2913, 2915, 2917, 2919, 2921, 2923, 2925, 2927, 2929, 2931, 2933, 2935, 2937, 2939, 2941, 2943, 2945, 2947, 2949, 2951, 2953, 2955, 2957, 2959, 2961, 2963, 2965, 2967, 2969, 2971, 2973, 2975, 2977, 2979, 2981, 2983, 2985, 2987, 2989, 2991, 2993, 2995, 2997, 2999, 3001, 3003, 3005, 3007, 3009, 3011, 3013, 3015, 3017, 3019, 3021, 3023, 3025, 3027, 3029, 3031, 3033, 3035, 3037, 3039, 3041, 3043, 3045, 3047, 3049, 3051, 3053, 3055, 3057, 3059, 3061, 3063, 3065, 3067, 3069, 3071, 3073, 3075, 3077, 3079, 3081, 3083, 3085, 3087, 3089, 3091, 3093, 3095, 3097, 3099, 3101, 3103, 3105, 3107, 3109, 3111, 3113, 3115, 3117, 3119, 3121, 3123, 3125, 3127, 3129, 3131, 3133, 3135, 3137, 3139, 3141, 3143, 3145, 3147, 3149, 3151, 3153, 3155, 3157, 3159, 3161, 3163, 3165, 3167, 3169, 3171, 3173, 3175, 3177, 3179, 3181, 3183, 3185, 3187, 3189, 3191, 3193, 3195, 3197, 3199, 3201, 3203, 3205, 3207, 3209, 3211, 3213, 3215, 3217, 3219, 3221, 3223, 3225, 3227, 3229, 3231, 3233, 3235, 3237, 3239, 3241, 3243, 3245, 3247, 3249, 3251, 3253, 3255, 3257, 3259, 3261, 3263, 3265, 3267, 3269, 3271, 3273, 3275, 3277, 3279, 3281, 3283, 3285, 3287, 3289, 3291, 3293, 3295, 3297, 3299, 3301, 3303, 3305, 3307, 3309, 3311, 3313, 3315, 3317, 3319, 3321, 3323, 3325, 3327, 3329, 3331, 3333, 3335, 3337, 3339, 3341, 3343, 3345, 3347, 3349, 3351, 3353, 3355, 3357, 3359, 3361, 3363, 3365, 3367, 3369, 3371, 3373, 3375, 3377, 3379, 3381, 3383, 3385, 3387, 3389, 3391, 3393, 3395, 3397, 3399, 3401, 3403, 3405, 3407, 3409, 3411, 3413, 3415, 3417, 3419, 3421, 3423, 3425, 3427, 3429, 3431, 3433, 3435, 3437, 3439, 3441, 3443, 3445, 3447, 3449, 3451, 3453, 3455, 3457, 3459, 3461, 3463, 3465, 3467, 3469, 3471, 3473, 3475, 3477, 3479, 3481, 3483, 3485, 3487, 3489, 3491, 3493, 3495, 3497, 3499, 3501, 3503, 3505, 3507, 3509, 3511, 3513, 3515, 3517, 3519, 3521, 3523, 3525, 3527, 3529, 3531, 3533, 3535, 3537, 3539, 3541, 3543, 3545, 3547, 3549, 3551, 3553, 3555, 3557, 3559, 3561, 3563, 3565, 3567, 3569, 3571, 3573, 3575, 3577, 3579, 3581, 3583, 3585, 3587, 3589, 3591, 3593, 3595, 3597, 3599, 3601, 3603, 3605, 3607, 3609, 3611, 3613, 3615, 3617, 3619, 3621, 3623, 3625, 3627, 3629, 3631, 3633, 3635, 3637, 3639, 3641, 3643, 3645, 3647, 3649, 3651, 3653, 3655, 3657, 3659, 3661, 3663, 3665, 3667, 3669, 3671, 3673, 3675, 3677, 3679, 3681, 3683, 3685, 3687, 3689, 3691, 3693, 3695, 3697, 3699, 3701, 3703, 3705, 3707, 3709, 3711, 3713, 3715, 3717, 3719, 3721, 3723, 3725, 3727, 3729, 3731, 3733, 3735, 3737, 3739, 3741, 3743, 3745, 3747, 3749, 3751, 3753, 3755, 3757, 3759, 3761, 3763, 3765, 3767, 3769, 3771, 3773, 3775, 3777, 3779, 3781, 3783, 3785, 3787, 3789, 3791, 3793, 3795, 3797, 3799, 3801, 3803, 3805, 3807, 3809, 3811, 3813, 3815, 3817, 3819, 3821, 3823, 3825, 3827, 3829, 3831, 3833, 3835, 3837, 3839, 3841, 3843, 3845, 3847, 3849, 3851, 3853, 3855, 3857, 3859, 3861, 3863, 3865, 3867, 3869, 3871, 3873, 3875, 3877, 3879, 3881, 3883, 3885, 3887, 3889, 3891, 3893, 3895, 3897, 3899, 3901, 3903, 3905, 3907, 3909, 3911, 3913, 3915, 3917, 3919, 3921, 3923, 3925, 3927, 3929, 3931, 3933, 3935, 3937, 3939, 3941, 3943, 3945, 3947, 3949, 3951, 3953, 3955, 3957, 3959, 3961, 3963, 3965, 3967, 3969, 3971, 3973, 3975, 3977, 3979, 3981, 3983, 3985, 3987, 3989, 3991, 3993, 3995, 3997, 3999, 4001, 4003, 4005, 4007, 4009, 4011, 4013, 4015, 4017, 4019, 4021, 4023, 4025, 4027, 4029, 4031, 4033, 4035, 4037, 4039, 4041, 4043, 4045, 4047, 4049, 4051, 4053, 4055, 4057, 4059, 4061, 4063, 4065, 4067, 4069, 4071, 4073, 4075, 4077, 4079, 4081, 4083, 4085, 4087, 4089, 4091, 4093, 4095, 4097, 4099, 4101, 4103, 4105, 4107, 4109, 4111, 4113, 4115, 4117, 4119, 4121, 4123, 4125, 4127, 4129, 4131, 4133, 4135, 4137, 4139, 4141, 4143, 4145, 4147, 4149, 4151, 4153, 4155, 4157, 4159, 4161, 4163, 4165, 4167, 4169, 4171, 4173, 4175, 4177, 4179, 4181, 4183, 4185, 4187, 4189, 4191, 4193, 4195, 4197, 4199, 4201, 4203, 4205, 4207, 4209, 4211, 4213, 4215, 4217, 4219, 4221, 4223, 4225, 4227, 4229, 4231, 4233, 4235, 4237, 4239, 4241, 4243, 4245, 4247, 4249, 4251, 4253, 4255, 4257, 4259, 4261, 4263, 4265, 4267, 4269, 4271, 427

PROPERTY / OUTDOORS



Tregunna House, just outside Brecon, has an asking price of £225,000



Bargain: Treffgarne Hall has six bedrooms and six acres for £360,000

Where homes are fast running out

Anne Spackman finds detached family houses are in short supply in south Wales but that elsewhere in the country, there are bargains

An advert appeared in the local property press within a week of the announcement that the South Korean electronics group, LG, was to create 6,000 jobs near Newport in south Wales.

"Landlords: The first party of 16 LG Korean managerial personnel require lots of 1-3 years," it announced.

Eighteen managers may not be a market maker. But these from LG are merely the latest in a wave of employees moving to work in Wales's buoyant M4 corridor. Sony and Panasonic are already there. Ales is building a new factory north of Newport and Newport Waterlab is doubling its capacity.

Most of the jobs created are on the production line, many of them for part-time women workers. But around 10 per cent are engineers and managers relocating from other parts of Britain or south-east Asia. South-east Wales

is fast running out of the kinds of homes they want.

Outside Cardiff there has always been a dearth of detached family houses and it is now properties of this size which are most sought after by south-east Asian families.

Consequently, big house-builders such as Bovis, Beazer, Barratt, Crest and David McLean are moving in fast to fill the gap. Prices for any kind of building site are now more than £200 an acre, with parts of Cardiff exceeding £250.

Investors are moving equally fast to buy up properties suitable for letting. Darlows, an estate agency with 30 branches in south Wales, has bought more than £1m worth of property for investors in the past three months.

Peter Hollingsworth, a director of Darlows, says prices for the best properties around Chepstow have risen by 10-20 per cent in the last 12 months. His firm is about to open an office in Bristol,

as the new Severn river crossing attracts more commuters into Wales.

"Gazumping reappeared at the end of last year," he says. "The market was moving so fast, we were exceeding our asking prices. But there are very few comparables at the top of the market. There is a distinct shortage of good quality detached properties in south-east Wales."

Knight Frank's Hereford office has just sold an exceptional period house in Shirenewton near Chepstow for more than £700,000. Tim Jessop of Knight Frank says such properties are rare. Most sales of good family houses are in the £200,000-£300,000 bracket.

The other area which has prospered is to the north of Cardiff, in the picturesque Usk Valley between Abergavenny and Brecon. New roads make this a 40-minute commute from Cardiff and Newport.

Peter Hollingsworth of Darlows

points out that this is nothing for someone used to commuting for an hour in traffic jams in south-east England. "Wales is one of the few places where the infrastructure has kept ahead of the traffic growth," he adds.

'Wales is one place where infrastructure has kept ahead of the traffic growth'

Most of the larger properties in this area are converted barns or farms in rustic, rather than grand style.

Knight Frank, for example, is selling a converted smallholding, Tregunna House, just outside Brecon, with six bedrooms, four reception rooms and good gar-

dens, for an asking price of £225,000. Darlows is selling a five-bedroom barn conversion in the same village for £200,000.

Prices have not yet risen but the market started to come back last year, spurred on by commuters and the reappearance of families from London. Tim Jessop said the "lifestyle swappers" had disappeared during the 1990s. They were now looking for a main family house to complement a flat in London, or planning for early retirement.

The buoyant mood in south-east Wales runs out at about Swansea. Further west and north the market is still slow. In the towns west of Carmarthen, terraced houses can still be picked up for around £30,000.

Many houses are still having to reduce in price to sell. Along with south Yorkshire and Humberside, this is still the cheapest place in Britain to buy a house.

Halifax Property Services,

which has offices throughout the area, is selling a four-bedroom farmhouse in 10 acres leading to the coastal path near Fishguard for £185,000.

Knight Frank is selling Treffgarne Hall, a large stone manor house with grand reception rooms, six bedrooms and a couple of holiday lets in six acres of grounds, for £360,000. It is also selling a large Edwardian seaside house near Harlech for £265,000.

The Pembrokeshire coast resembles that of Devon and Cornwall, and it is a similar distance from London. But prices are distinctly lower. Knight Frank sold a listed manor house in Blisland, Cornwall, similar to Treffgarne Hall, for just over £500,000 last summer. It is also selling an Edwardian seaside home at Budleigh Salterton for £235,000.

One reason for the discrepancy is fashion. Cornwall has traditionally been the bucket-and-spade destination for the south-

east of England, while Pembrokeshire has served the families of the Midlands and the north-west.

But the fire-bombing campaign of Meibion Gylndwr has also taken its toll. During the 1970s and 1980s, the group burned nearly 50 second homes, mainly in the Anglesey and Carmarthen areas.

There have been few attacks on property since the bombers switched their attention to estate agents' offices in 1993. Pembrokeshire, which is the first home of many English families, was barely affected.

But still, potential buyers in west Wales are nervous. No one will buy a rural or coastal retreat, however cheap, if they suspect they may be made to feel unwelcome.

Darlows tel: 01633-223355; Knight Frank, Hereford 01432-273067; Halifax Property Services, Fishguard 01348-873070.

Gardening

Crowning glory with a scent

Robin Lane Fox takes a chance with wisteria to cover his arches

Tiaras are back in fashion, so the jewelled classes tell us, and from March 5 you can even visit an exhibition of great tiaras at the Jewellers Wartekia, in London. However, you will not see my latest fashion there. Ever ahead of the trend, I have started to equip my garden with four tiaras, chosen before the uncrowned heads of Europe put themselves back in the limelight.

I started with a problem which may be familiar. The garden lacks height in its main, central expanse and I am still impatient for serious progress from my trees of the past six years. Behind them, a narrow strip of lawn runs between two narrow flowerbeds in which I intended to train climbing roses on wires to a height of 3ft.

The roses would be kept clipped as a low hedge, but they have refused to make serious growth and by mid-summer have lost their leaves from blackspot in protest at life in the stony Cotswolds. So I have decided to go for the overhanging crown the entire grass span between the two beds with curving arches for more willing climbers.

The span to be covered is 18ft wide and none of the conventional suppliers stocks an arch to fit. The answer has been to design my own, in partnership with the nearest blacksmith. The

to a height of 6ft over which two spans of tubular iron have been bent into an arch, one beneath the other. They are held firm by a criss-cross pattern of struts and although neither of us intended to be fashionable, it seems we have designed a tiara in iron. They have already proved to be rock-solid and when all four are in place, they will be painted a discreet green.

My four tiaras will lead the eye down the length of the mouldering rose-beds without shading them or unduly blocking out the intervening view. They are emphatic without dominating everything. At the far end, they frame the only apple tree which seems able to grow on a shallow depth of soil.

So much for the tiaras' outline. What about the jewels of greenery which will climb all over them? Here, I have opted for wisteria, not always the first idea on single arches which need to be hugged, not smothered. But I think that my programme for wisteria management will cope with the challenge.

Wisterias first reached England from the garden of a Chinese tea merchant in 1816. They were one of the most heartening postscripts to the Napoleonic war and you can still see the enormous wisteria at Kew which was planted in the 1820s and was initially sheltered in a glasshouse because the botanists thought that it would



Jewels for an iron tiara: Wisteria silvestris, but beware the spring frosts

A-Z Botanical Collection

and selected and the Chinese variety has been joined by the Japanese cousin. The Chinese forms are the most vigorous and it is their scent which I want on my tiaras. They will not object to the sunshine, the dry soil or the initial competition with the remains of the roses. The art will be to prune them intelligently, but they can be confined to such spaces because I have seen some old individuals bent for decades over the simpler shape of high iron hoops.

The best books rightly tell you to begin by training shoots outwards from the main stem on to wires during the first two years and to shorten the main stem back to a point near the highest of these horizontal shoots. The shoots themselves are then shortened to a third of their length when the leaves fall. This care is appropriate in

the plant should spiral anti-clockwise to the sun from an early age without objecting to the hot and cold touch of metal. I will remove almost every side growth from the wisteria throughout its life and probably shorten the main stems in the first two years.

Wisterias should be pruned in early July, cutting the long side growths to little more than a foot's length. In early winter, these are typically thinned back to their third bud. In your mind's eye you should be aiming at the form of a neat old vine or fruit tree. On my narrow arch I will allow only a few side growths and will take them back to their second bud only.

The unmentioned enemy of wisterias away from walls is a late spring frost. We should also be aware that many wisterias are growing indiscriminately from seed and that cheap stocks will probably bear a distant sim-

its own or imports from a proven specialist. It is maddening to end up with a poorly coloured lilac form of the short-flowered *silvestris* when you have waited some years for results.

On the tiaras, some people might prefer the absurdly long strings of lilac jewels which hang on the great Japanese form, *Wisteria floribunda* 'Macrobottle'. They are not so sweetly scented and are slower to flower well. The Chinese forms are vigorous, but I have a streak of the impatience which I tend to criticise in readers. I cannot help imagining wisterias in their full Italian or Greek glory in April.

"There was never such a heaping: such a deep piled fullness. For the flowers lie on the pergola, like snow disordered"; so it seemed to Sacheverell Sitwell in his poem to celebrate wisteria, seen once again after seven years of wartime in the Tuscan hillsides. Perhaps one

On the Move

Flats snapped up by pioneer buyers

Anne Spackman on the demand around the City

Prices of flats in the City of London and Clerkenwell districts rocketed 5 per cent in just the first month of this year, according to Hurford Salvi Carr, agents with a reputation for honest talking.

In December last year, the firm predicted a sober, 10 per cent price increase for the whole of 1997, following rises of 16 per cent in 1996. Instead, staff returned from the Christmas break to 100 calls a day from prospective purchasers and had buyers competing over most properties.

David Salvi said the surge in interest is coming mainly from professional people responding to the buoyant property news over the Christmas period and the Buy-To-Let campaign launched by the lettings industry. "These are lawyers and business people looking to get a little property in town as part of their pension fund," he says.

The price of small flats in particular has rocketed. A year ago, one-bedroom flats in the Barbican were selling for between £20,000 and £30,000. Now prices start at around £115,000. "The 20 per cent deposit on a flat costing between £100,000 and £140,000 is affordable for investors," says Salvi.

In the new-build market, prices for one-bedroom flats now start at around £120,000. Some of the most imaginative are the split-level apartments developed by Rialto Homes at Number One Prescott Street, near Tower Bridge. They include a raised dining area leading from the sitting rooms and a raised dressing room/study leading from the bedroom.

Launched at the end of

one-bedroom mezzanines in the first phase start at £112,000 - though most of the cheapest have been sold - with three-bedroom mezzanines reaching £275,000.

The first loft conversions in Clerkenwell to come back on the market are making huge profits for their pioneering owners. Hurford Salvi Carr took just two days to sell a large one-bedroom, ground floor apartment in St John Street for £195,000, a price which compares with parts of Kensington.

They have had offers of more than £400,000 for a stunning 1,500 sq ft loft in the original Manhattan Loft Corporation development in

Clerkenwell's first loft conversions are making huge profits for owners

Summers Street, Clerkenwell. Salvi says the loft market is dominated by people in their 30s and 40s, with no children, buying a home from which they can walk to work. "Somebody who is fitting out a loft spends more money than they could get back from renting it out," he says.

The continual redevelopment of offices to provide homes in the City means the area has a steady drip of property coming on to the market at a time when most of London is struggling with acute shortages. Hurford Salvi Carr has just launched a development of nine flats in "shell" form in the Beauchamp

at prices from £190,000 upwards. It is launching a warehouse conversion of eight flats in Farringdon next week and has two more small schemes in Clerkenwell and near St Paul's Cathedral.

Barratt is just starting its sixth office-to-residential scheme at Pemberton House, just south of Fleet Street in EC4. The 39 one- and two-bedroom flats will be priced from £150,000 to £275,000. Due for completion next Christmas, they are already selling off-plan.

On City Road, developer Metropolis is working on its most up-market project to date - the redevelopment of the former offices of The Independent newspaper. At £300 a square foot, these are ambitious prices for the area, but 13 of the 89 apartments were reserved almost immediately.

Hamptons is involved in £150m of development deals on the City and its fringes. It estimates that around 260 flats are being built in the City, with a further 400 in the pipeline. While the activity level is high, the numbers are small - the Docklands area has 10 times as many homes coming on to the market.

Hamptons' latest research bulletin shows that buyers in its largest City scheme at Spitalfields break down into 20 per cent owner occupiers, 20 per cent week-day residents and 60 per cent investors - from the UK and south-east Asia.

Those figures help explain why amenities such as supermarkets and cinemas have yet to arrive in sufficient numbers to give the area a residential feel. At the weekends, in particular, the City is still dead.

Hurford Salvi Carr:

SPORT / MOTORING

Rugby

French find discipline, but lose flair

They might give away fewer penalties, but Huw Richards still expects France to lose to England

You can tell that the painting currently on show at the Barbican in London is not of a modern rugby match. To start with, the player soaring to take a line-out ball is jumping unaided by team-mates and unimpeded by opponents. And the title, "Equipe de Cardiff", is also a giveaway. In 1913 it suited artist Robert Delaunay's images of youthful vigour perfectly.

But no modern Frenchman would take a British exemplar for rugby excellence. For all of England's recent achievements, the French have come closest over the past decade to disturbing the Southern Hemisphere's stranglehold on the international game.

To match South Africa and New Zealand once is difficult enough. To do it on their grounds on consecutive weekends is something none of the British quartet have yet managed. But France won two-match series in South Africa in 1993 and New Zealand the year after.

They have been the most successful European competitors at the two southern hemisphere World Cups - finalists in New Zealand in 1987, desperately unlucky semi-finalists washed away by the Durban deluge and the hosts' sense of destiny in South Africa two years ago.

Their clubs are unquestionably the best in Europe. Toulouse and Brive have won the first two Heineken European Cups. The second-rank European Conference became a French domestic competition as they took all four semi-final places. They have far more players than any other European nation except England, over whom they have the advantage of a large region - the

south-west, where rugby is the top game and commands the best talent. Rugby league sliced off England's equivalent district in 1895.

All of which leaves the question of why they do not do better in the European Five Nations championship, in which they today face England at Twickenham in the likely title decider.

It is not that they are unsuccessful. Since winning their first title in 1959, they have been much the most consistently winning team. Both the Welsh of the 1970s and the present England team, the dominant British sides of the last quarter-century, regarded France as the key to their four-match championship

programme. Yet the French have never quite stamped themselves on an era as those teams have.

Idiosyncratic selectors and back-stairs politics have played their part - but none of the other nations is immune. Statistics instead suggest that any French tendency to self-destruct is on, rather than off-field.

They are consistently the most prolific try-scorers in the Five Nations, top scorers for eight of the last 10 seasons. In the seven completed seasons so far in the 1990s, they have scored 66 tries in 28 matches. England have scored 50, Scotland and Ireland 33 and Wales 28.

Yet France not only trail England by 23 wins to 17, but are

barely ahead of the Scots, who have 16 wins and a draw. England have three outright championships to France's one.

But their ability to create tries is matched only by a propensity to concede penalties. You might expect England to have been well ahead in the try-count in their seven-match (1989 to 1995) winning run against France in the Five Nations. And they were ahead, but only by 14 tries to 10. The real difference was in penalty goals, 24 by England to eight by France.

Only six of the 76 Five Nations matches so far in the 1990s have been lost by the team scoring more tries. France have been involved in five, every time as

the loser. Such statistics show why the French game's puritan tendency, at its strongest while the Napoleonic Jacques Fouroux was coach in the 1980s, despairs of the cavalier tradition and hankers after New Zealand-style power and discipline.

A strange disregard for penalties - exemplified both by undisciplined forwards and the periodic reliance for goalkicking on Emile Ntamack, as unconvincing a kicker as he is elegantly brilliant as a wing - appears to pervade the French game.

But there are signs of change. Last season's 15-12 win over England was the first time in a decade that the French landed more penalties in that fixture.

If they ever start to combine traditional brilliance with discipline, as champions Brive did in their dismantling of Leicester in the Heineken final, then the whole world, New Zealand included, had better look out.

But that is a substantial if. Flair has been as often absent as apparent in recent seasons, with inability to find adequate half-backs the main problem. Injuries to key players, a losing Twickenham record since 1987 and England's new-found scoring potential will give them little encouragement today.

But unlike Scotland and Ireland, France should be capable of testing England physically. Not enough perhaps to win, but sufficient to make an England victory more grind than romp.

And in a season which has seen most long-running sequences extended, Scotland should just hold off Ireland in the clash of teams traumatised by England's "beat them senseless, then pile on the points" routine.



The BMW Z3 roadster. Lovely to look at, delightful to drive

Road Test / Stuart Marshall

More animal than mechanical

As soon as BMW unveiled its 1.9-litre, 140-horsepower, four-cylinder Z3 sports roadster, the response from performance obsessed motoring commentators who judge cars only by their muscularity was predictable. They roared with a single voice: "And when do we get it with a bigger engine?" The answer is soon. A 2.8-litre, six-cylinder, 193-horsepower Z3 arrives in June and will be followed by a 321-horsepower M3 Evolution version. Both will, of course, be able to leave the 140-horsepower M3 for dead. But will they be more pleasing to drive than the Z3 I sampled for a sunny weekend in the Algarve? I doubt it.

The *raison d'être* of a two-seat roadster is to provide enjoyable personal transport. It must look good; eight in 10 of the 3,306 Britons who have been waiting patiently for the Z3s they ordered many months ago gave "style" as a main reason for purchase. Unlike most BMWs, which in the UK are company cars, more than 80 per cent of Z3s will be bought privately by fairly young people - one in four of them single and one in six female.

Of the 4,000 Z3s BMW expects to sell in Britain this year, only 10 per cent will be the more powerful and costlier six-cylinder models that the performance-minded drool over.

The Z3 is the most affordable roadster BMW has yet offered. It is made in its factory at Spartanburg, South Carolina, and was conceived with the American market very much in mind.

In Britain, it costs £19,950

excluding delivery. BMW underestimated world demand before Z3 production started a year ago and has been so busy supplying left-hand drive markets that cars with right-hand steering have only just become available.

Although car prices generally have risen by about 5 per cent in that time, all customers who placed firm orders will pay the early 1996 guide price - and a radio (once an optional extra

Turn the key and experience a different dimension of driving

on all BMWs) has been thrown in. "We want our customers to love their Z3," Kevin Cassell, BMW GB's managing director, says. They will. For year-round motoring, give me a medium-to-large saloon or estate car with automatic transmission and air conditioning. But when a warm sun is shining from the kind of sky you see in holiday brochures, a car such as Z3 approaches perfection.

You slide behind the wheel, power-adjust the seat to-and-fro and up and down to an ideal position, turn the key and experience a different dimension of driving. The Z3 feels alive; more animal than mechanical in its responses though without a horse's unpredictability. Go a few miles inland, away from the concrete cliffs

of high-rise apartment blocks and expensive villa developments, and the south of Portugal has changed little in the last 50 years.

Dogs lie sleeping in the dust. Old men wobble along slowly on creaking bicycles. Go round a bend, and a flock of sheep will block the path and potholed lane. Turn back a few years ago on what would be rated B-roads in Britain has long since worn away to reveal the painstakingly laid cobblestones beneath.

On these unforgiving surfaces, last generation soft-top cars would have wobbled like part-set jellies. The Z3 is as rigid as they were shaky. So was its main rival, the £29,925 Mercedes-Benz SLK, which I drove on similar roads in Spain not long ago.

The most obvious difference between Z3 and SLK is that the BMW has a manually folded soft top and a five-speed gearbox, and the Mercedes-Benz a metal top disappearing into the boot at the touch of a button and five-speed automatic transmission. Opening up the Z3 is easy enough and can be done without leaving the car. Women, though, may find the hood release levers stiff and the stretchy tonneau cover a potential nail breaker.

An open Z3's boot is still big enough to take a bag of golf clubs; an open SLK's boot is half filled by the folded metal top and has no space for anything so bulky. The SLK's 2.3-litre supercharged engine and 5-speed automatic complement each other perfectly but I was equally happy with the Z3's slick manual shift, which suited the BMW's sportier character. (There is a £1,060 automatic option.)

Driving a modern sports roadster is not the hair shirt ordeal it used to be when they had flapping side screens and leaky canvas roofs. The Z3's seats are snugly comfortable, the heater powerful and turbulence with the hood down minimal below 50mph/80kph, tolerable at much higher speeds. Closed up, visibility is good without rear blind spots, and background noise at motorway speeds is not much louder than it would be in a saloon.

Performance is on a par with that of a good 2.0-litre saloon: a top speed of 127mph/205kph and 0-62mph/100km acceleration of 9.5 seconds are claimed. A sensible driver, making good progress by exploiting the Z3's excellent handling, positioning the car properly and reading the road well ahead, would see up to 35mpg (8.0/100km) on a journey.

Their names roar through the sport's history but individuals like Enzo Ferrari, Bruce McLaren and Jack Brabham are now part of motor racing's folklore rather than its reality. Only one team boss survives in Formula One with his name on the car.

When he rolled out Model 025 in London earlier this year Ken Tyrrell, 72, celebrated the beginning of his 30th season in the F1 circus. He has seen it grow from a minor sport to a billion-dollar circus but his joy and enthusiasm for the whole intricate, overblown show remains undimmed.

Tyrrell says he cannot understand why anyone who has driven a single-seater, at whatever level, wouldn't want everyone else in the world to share the thrill. Part of the Tyrrell legend is the serendipity of it all.

Forty-six years ago he played football for his village team in Surrey, close to the team's present base, when the club decided the annual outing should be a charabanc to Silverstone race track. The young timber merchant (a business Tyrrell started with his brother after leaving the wartime RAF) stood watching the cars and was enthralled.

"If the trip had been to Brighton or Bognor then none of this would have happened," he says, gesturing around the factory. "I knew nothing about motor sport before then but that day I knew I had to get involved." At the end of that season a Guildford driver named Alan Brown sold the ambitious tyro his Formula Three car.

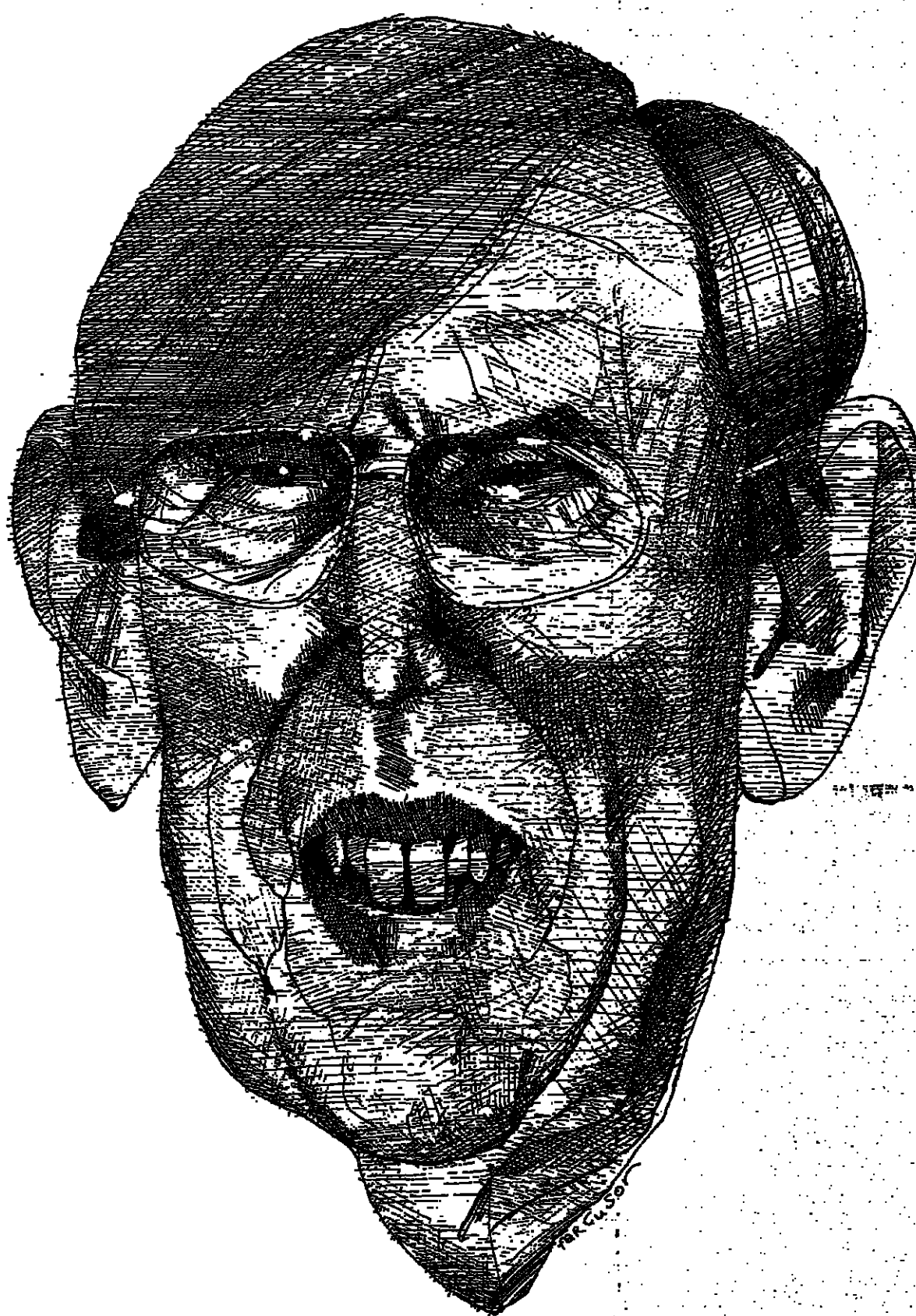
Tyrrell raced enthusiastically, even winning the odd race, but now looks back on himself as an average, middle-of-the-field driver. He never drove at the pinnacle. "In fact," he recalls, "I've never sat in an F1 car with the engine running. I think the staff would leave if I did."

At the end of the 1960s he loaned his car to a younger man, which was the genesis of Tyrrell Racing. "I discovered there was more satisfaction in preparing a car for a talented driver than in being dissatisfied with my own limitations each weekend," he observes with humility. In a sport full of turbo-boasted egos Tyrrell is that rarest of animals: a man without enemies.

In the paddock he is always sunny and approachable. Running a mid-rank F1 team without long-term sponsorship and 110 staff to pay, there are endless money worries but Tyrrell keeps them to himself. Given the stampee of football clubs to the stock exchange, I ask him if we might not see an F1 team turn itself into a quoted company.

"Funny you should mention it," Tyrrell says. "Two chaps from the City phoned and invited themselves down last week to talk about that very thing. We could sell the shares no trouble at all. All the enthusiasts would buy them. But then we've got to start making some money to provide a return. At present we're just keeping afloat, there's no profit."

A tawdry through Companies House would reveal that teams such as McLaren and Williams are very profitable indeed. However, it is hard to see why a proprietor such as Frank Williams would enjoy justifying such perks as the company jet and helicopter to a meeting of analysts. Tyrrell forges the future more in terms of teams



Sporting Profile

Tyrrell - the tyro turned sage

Keith Wheatley meets a man who is part of racing folklore

taking in wealthy investment partners rather than going for plc flotation. "Has Pearson [owner of the Financial Times] considered Formula One?" he asks ingenuously. I promised to drop the idea in the FT's suggestions box. Although he sees his fellow F1 nabobs regularly (on the day of our meeting he was off to lunch with Williams, and McLaren boss Ron Dennis), Tyrrell's personal style is more folksy, less corporate.

The grandees might fly into Magny Cours for the French Grand Prix, he will motor through France with Norah, his wife, taking in a few sights and restaurants. One of the pre-occupations of all the teams in the weeks leading up to the initial Melbourne grand prix has been the effect of the so-called "tyre wars".

Bridgestone, the Japanese manufacturer, has cracked the Goodyear monopoly and will have at least five of the junior and mid-rank teams on its rubber. The Big Four (and Tyrrell) are staying

loyal to Goodyear. "Whatever the aerodynamics and power of the chassis and engine, remember the tyre connects it all to the tarmac. Its effect is out of all proportion to any other single factor," warns Tyrrell, who says the consequences of monopoly becoming duopoly will take time to emerge.

Pessimists fear it breaking up the settled (possibly ossified) order of the cosy Formula One world. "Nonsense," Tyrrell asserts. "I've seen tyre wars before and competition is good for everyone. The more tyre and engine manufacturers we can bring into the sport the better."

His own goal is to stay ahead of the new Stewart GP and revamped Arrows teams - both of whom will run on Bridgestone rubber. His loyalty may carry a cost if the Goodyear tyres are uncompetitive in the early races. For motive power the Tyrrell 025 for 1997 turns to a Ford Cosworth V8 after the somewhat unhappy

partnership with Yamaha came to an end last autumn. Although every other team on the grid will run with a V10, there is both a contemporary and an historical enthusiasm for the Ford unit at the Tyrrell camp. "I think the Cosworth development on the engine has been quite exceptional and it's just going to click for us. The Yamaha never had reliability in 1996 and it just ended as a disaster," says Tyrrell.

It was also a Ford V8 that led the embryonic team into F1 a generation ago. Hearing an industry rumour that there was an exceptional new engine testing at Zandvoort, the team leader flew to Amsterdam to have a look. He was so impressed by its superiority that arriving back in Surrey that night Tyrrell immediately called Cosworth and ordered three engines.

The next step was to persuade Matra, our partners at that time, to build us a car. Our works

driver Jackie Stewart stepped up from Formula Three and we were in business," he says. Within four races the new boys had won a grand prix. It was the start of a partnership with Stewart that would achieve five world championship titles before the Scots driver retired at the end of 1973.

"We never had a contract and never needed one," says Tyrrell. This season, his former protégé becomes an opponent on the track with the debut of Stewart Grand Prix. "This was really the glory years for Tyrrell, although his record of discovering driver talent after Stewart's departure is impressive on its own."

Jody Scheckter, Renske Peterson, Michele Alboreto and Jean Alesi are all alumni. For the 1997 Formula One season, Tyrrell's tips are as follows: "If Ferrari get the car right, Schumacher will win. If they don't then Villeneuve will do it in the Williams. Which team is the best outsider?"

SEND US YOUR OWN PAPERCLIP

And while you are at it, please attach your cheque to fund more Macmillan Nurses in the fight against cancer. (Did you know over one million people are living with it?)

Cheque amount £..... made out to 'CRMF (F1)'

Send to: CRMF FREEPOST LONDON SW3 3BR

THE Macmillan APPEAL

Cancer Relief Macmillan Fund cares to support people with cancer and their families.

Regd Charity No. 261017

JFK 20150

I, at least, lasted longer than Riddick Bowe. The former heavyweight boxing champion who had always dreamed of a life in the military managed just 11 days in the US Marine Corps Reserve before throwing in a towel with barely a bead of sweat on it.

Bowe "could not handle the regimented-training lifestyle", which proves that all that business in *Rocky* films about half a dozen raw eggs and a jog at five in the morning was as fanciful as it was stomach-churning.

But I am hewn from a different block of medium density fibre. My experiences with the military, thus far kept in an X-file deep in the bowels of London, offer a sharply contrasting fable of fortitude. I took the boot camp in my stride, as it were. The training was a joy. I got on fine with the boys; there was mutual respect. By the end of our time

together, there were tears. The key to my success was in allowing them, as we say in Santa Monica, their own personal space. They were all tougher, meaner, badder than I; I knew that. There was no use in my coming over all macho and trying to compete on their level. I offered them something different. Call it a chance to communicate with their feminine sides; or perhaps with their innermost beings. They lapped it up. For they had never encountered a Regimental Intellectual before.

I decided on my approach from the first day, when I turned up

in Louche Velvet Dressing-gown when the script demanded Full Metal Jacket. There were laughs, of course. But I was ready for that. They barked out orders: "Bombs away", or some such glib piece of urgency. I countered with the aphorisms of Lichtenberg: "I am extraordinarily susceptible to loud noises, but they lose all their disagreeableness as soon as they are connected with some rational objective." They went curiously silent, but were impressed.

I pointed out to them fundamental mistakes in their strategy: for example, the use of

heavy metal music to flush out the enemy in sieges, as perfected in "Mad" Maxwell Thurman's tactics against General Noriega in Panama in 1989. Would they not be much more effective playing the Alanis Morissette album over and over again?

Tests proved me right. It was a matter of subtlety, I explained. For the Army to use heavy metal was too much of a muchness, whereas it was well known that nothing rotted the mind like dippy teenage feminist revenge soft rock. They had never even heard of her, bless them.

Soon, I began to organise small

encounter groups within the regiment to discuss issues like these. We even made up a name - Effective Fighting Forces Evolving Towards Enlightenment - but the authorities became mildly concerned that we were undermining morale.

I soon convinced them, however, in a secret meeting held in a virtual reality helicopter in a games arcade. Armies had nothing to do any more, I said. The war was over. History was over. There was no point at all in boot camps, drill, manic physical exercise, all those savage chants, when there was no enemy any

more. Furthermore - and this was the clincher - if you could prove that life in the Army helped you become a complete, fully-rounded human being, Lichtenberg aphorisms and all, might there not be a compelling argument for the re-introduction of national service?

Their eyes lit up; they saw unemployment figures diving into a sea of nothingness, while their reputations soared into the stratosphere. The authorities can be a tough nut to crack, but give them a tantalising flash of CBE and they become pussycats. That is how close I came to

changing the public life of this country. But it was not to be. They lost their nerve. Said they couldn't live with the PR implications, and muttered something about the Falklands and national pride. They began to infiltrate our George Eliot seminars, stage our aromatherapy sessions, pour axle grease into our reaction tanks. All my initiatives were frustrated.

I decided to leave with dignity intact. Not for me the Riddick Bowe way, sinking away shamefully. I wore my sparkling white ceremonial uniform and swept into the mess hall. The music swelled, eyes moistened. I picked up my books, my emery crystals, my aphorisms in my arms and strode out purposefully. There was applause. I cannot deny it. And I could not resist a final dig: how the officers blanched when I told them that their army was, after all, in place for a gentleman.

True Fiction

An officer and a gentle man

Having survived boot camp, Peter Aspden went manoeuvring in the military

Metropolis

Greece crumbles as the show must go on

Modern cables and scenery are wearing away ancient theatres. Kerin Hope reports on a dilemma

Even the most jaded theatre-goer, pausing for breath on the precipitous marble tiers of the Herod Atticus Odeon, looks up at the Parthenon above with a sense of awe.

And however hot and uncomfortable you feel, straining to hear the actors with a stranger's knees pressed against your spine, the moon rising over a towering backdrop of Roman arches is still a spectacle not to be missed.

Performers will seize the chance to play in any of the 40-odd ancient theatres around Greece with enough stones left to seat an audience.

But the Herod Atticus, built into the slope of the Acropolis hill by a wealthy Roman bureaucrat in the 2nd century AD, is the most accessible. In an average summer, more than 100,000 Athenians and tourists will attend a concert, ballet or play there.

"It's an extraordinary place to play because the audience is high above you, a wall of 5,000 people," says Renato Ripa, a cellist. "Above them, you catch sight of a classical temple that's a cornerstone of European culture. It can be very distracting."

Staging modern events in ancient theatres became part of Greece's tourist policy after the Herod Atticus was extensively restored in the 1960s. But it is still fraught with controversy. Fierce dramas are played out between archaeologists responsible for preserving the theatres and tourism ministry officials determined to pack in as many spectators as possible for a big-name performance.

Nor are theatre companies

any longer content to stage respectful academic versions of ancient plays. Greek directors feel compelled to compete with visiting Japanese or German companies and make their productions as spectacular as possible.

Even Sir Peter Hall, the British director who claims a special relationship with ancient Greek theatres, last year came close to having his performances of Sophocles' "Oedipus" plays cancelled by outraged officials at Epidavros, a huge 14,000-seater on the coast near Epidavros.

A giant ramp soaring above the ruins was deemed acceptable, but plans to place barrels belching flames

effectively as footwear. While few archaeologists would advocate roping off the ancient theatres as open-air museum pieces, concern is growing about how often they should be used and how much restoration should be allowed.

"The theatres are where modern visitors experience the atmosphere of ancient Greece most intensely. They have to be re-used wherever possible," says Evangelia Dellaki, an archaeologist who is excavating a 3,000-seater on the coast near Epidavros. "But because they're in such stressed condition that even amplified noise can damage the stone, there have to be strict rules."

Dellaki has tackled the problem by having the theatre at Palaia Epidavros adopted by the Megaron Mousikis, the Athens concert hall, as a summer venue for chamber and voice music. She says the 600 spectators allowed in for a performance "tend to be older music enthusiasts who aren't going to leap down the tiers of seats after the performance or stick chewing-gum on the stones".

The Megaron has undertaken to restrict performances to a dozen or so every summer, gradually increasing the number of spectators as the excavators uncover more ancient seats and put them back into place. "It's essentially an experiment," says Christos Lambrakis, the concert hall chairman, "to find out what kind of music is suited to the ancient surroundings, and then make sure that we include performances that will also attract local people."

At the Herod Atticus, a more robust attitude prevails, partly because a heavily restored Roman-era

theatre in the centre of Athens is considered less sacrosanct than a Greek one still being unearthed from an olive grove. New theatres were built after Greece became a Roman colony, though there are few surviving examples of tall stone backdrops like that of the Herod Atticus, from which a roofed stage originally protruded.

Amplifiers have moved in, thanks to the political muscle of Nana Mouskouri, the Paris-based Greek singer who insisted she could perform nowhere else in Athens. Then came Mikis Theodorakis, the composer who was banned from the Herod Atticus for years because of his communist views but is now permitted to stage his symphonies and oratorios there, complete with an orchestra and a bouzouki group as well as

massed choirs.

Yet the Herod Atticus is still the scene of clashes between conservationists and the tourism ministry, which is anxious to reverse a declining trend in audience numbers now that many tourists skip Athens and fly directly to the islands and Athenians are more willing to attend performances staged at ancient theatres deep in the countryside.

One recent controversy involved a plan to rebuild the roof over the stage on the basis of 19th century excavation drawings and studies of other Roman theatres around the Mediterranean. The tourism ministry claimed that audience numbers would improve immediately because the reconstruction would improve acoustics in the upper tiers.

"There's a limit to how much you can restore with-

out creating a false monument and the Herod Atticus has reached it," says Nicholas Minos, head of the archaeological service conservation department. "Putting on a new roof is going too far. We can't allow anything that could look like Disneyland."

To persuade more world-class performers to play

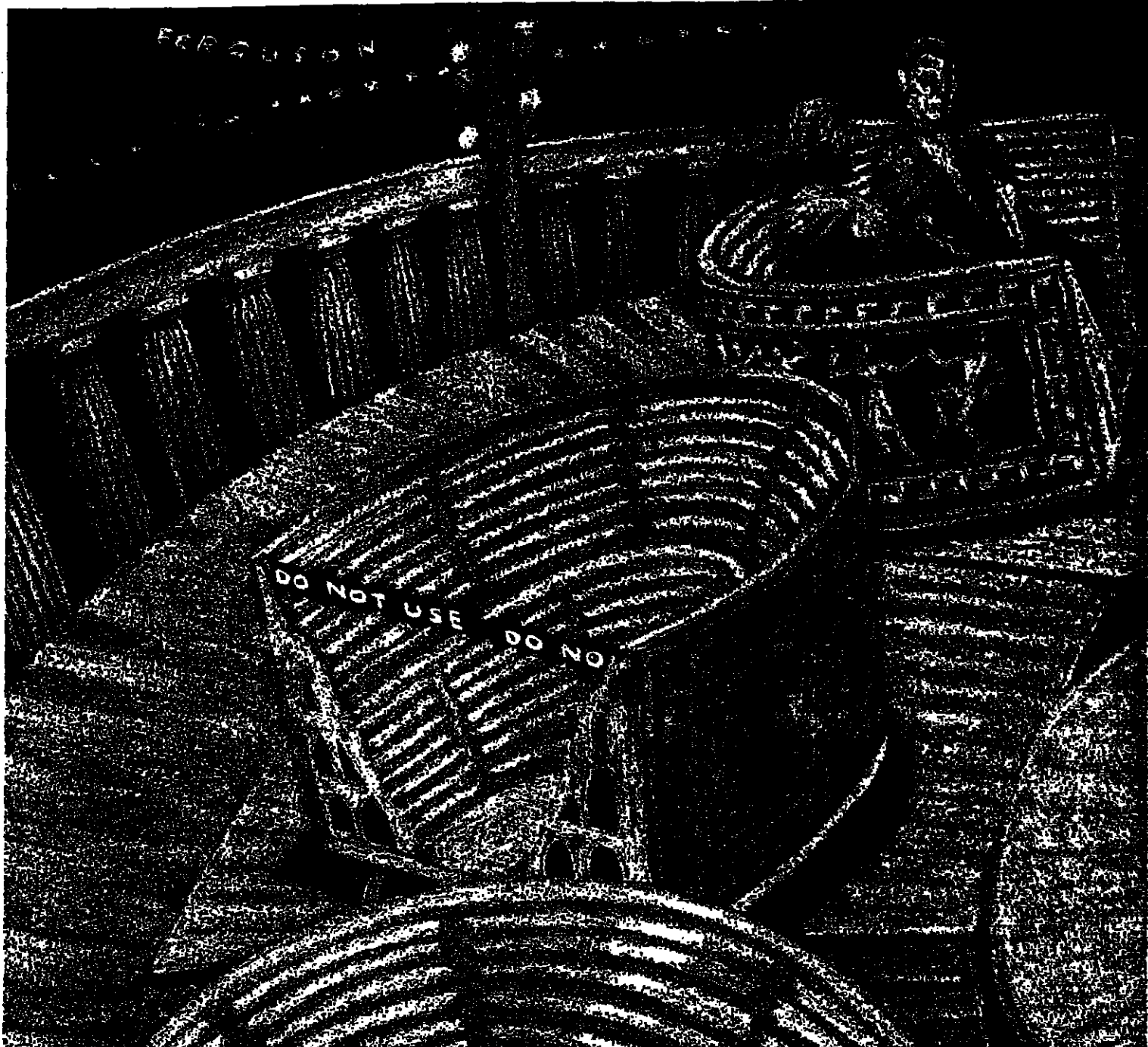
there, the tourism ministry proposed to replace cramped changing-rooms with a complex of comfortable dressing-rooms and storage space plunging four storeys below ground level into the rock. That was shot down by the archaeological service on the grounds that the Acropolis hill, in itself considered an important monument, should not be tampered with.

"The Herod Atticus is really a victim of its own success," says Constantine Boletis, the architect who heads a new archaeological service programme to restore another 70 ancient theatres, medieval castles and other monuments for modern performances.

Lighting towers and scenery damage the ancient stage remains; cables rub away surfaces

around the stage were at odds with fire regulations. It was only after some delicate diplomatic negotiation and a telephone call to the culture minister in Athens that the show went ahead.

Epidavros, built in the 4th century BC and renowned for its near-perfect acoustics, is the best preserved of about 140 ancient theatres known in Greece. But it has taken a battering from heavy use during summer weekends. Lighting towers and scenery damage the ancient stage remains, while power cables can rub away the ancient stone surfaces as



theatre in the centre of Athens is considered less sacrosanct than a Greek one still being unearthed from an olive grove. New theatres were built after Greece became a Roman colony, though there are few surviving examples of tall stone backdrops like that of the Herod Atticus, from which a roofed stage originally protruded.

Amplifiers have moved in, thanks to the political muscle of Nana Mouskouri, the Paris-based Greek singer who insisted she could perform nowhere else in Athens. Then came Mikis Theodorakis, the composer who was banned from the Herod Atticus for years because of his communist views but is now permitted to stage his symphonies and oratorios there, complete with an orchestra and a bouzouki group as well as

massed choirs. Yet the Herod Atticus is still the scene of clashes between conservationists and the tourism ministry, which is anxious to reverse a declining trend in audience numbers now that many tourists skip Athens and fly directly to the islands and Athenians are more willing to attend performances staged at ancient theatres deep in the countryside.

One recent controversy involved a plan to rebuild the roof over the stage on the basis of 19th century excavation drawings and studies of other Roman theatres around the Mediterranean. The tourism ministry claimed that audience numbers would improve immediately because the reconstruction would improve acoustics in the upper tiers.

"There's a limit to how much you can restore with-

out creating a false monument and the Herod Atticus has reached it," says Nicholas Minos, head of the archaeological service conservation department. "Putting on a new roof is going too far. We can't allow anything that could look like Disneyland."

To persuade more world-class performers to play

there, the tourism ministry proposed to replace cramped changing-rooms with a complex of comfortable dressing-rooms and storage space plunging four storeys below ground level into the rock. That was shot down by the archaeological service on the grounds that the Acropolis hill, in itself considered an important monument, should not be tampered with.

"The Herod Atticus is really a victim of its own success," says Constantine Boletis, the architect who heads a new archaeological service programme to restore another 70 ancient theatres, medieval castles and other monuments for modern performances.

Arcadia

Bring back the swallows

Garry Booth tries to avoid a visit from the Swat team

The telephone rings. "Were you ambushed by a squad of armed police earlier today?" My farmer neighbour's words worried. It is not everyday that Swat teams are deployed in our remote corner of East Anglia, but when they are, news travels fast.

News travels especially fast when the Swat team leaps on an innocent passer-by who has had the bad luck to own the same make of vehicle as the intended victim.

The events are intriguing. The village's latest arrival - the unfortunate victim of the mistaken identity - was to have been asked if he would like to run our Neighbourhood Watch scheme as a way of getting to know folk. Instead he was handed off to the local nick by marksmen wearing full body armour. Locals are intoxicated by the dramatic possibilities: is he terrorist,



blogger or hit man? It turns out that the local constabulary has over-egged things. Our ambusher had recently retreated to this corner of East Anglia to

search of peace and contemplation. But he soon found the wisteria around his front door being singed by the afterburns of low-flying

RAF Tornados. He complained to the Ministry of Defence. He complained a lot. The jets kept on coming. He was driven to distraction. He told the MoD "community relations officer" that if another fighter made a sortie through his airspace he would "shoot the buggers down", or words to that effect. That was when the thin-lipped men in black baseball caps paid him a visit.

I sympathise. I used to live in a noisy, inner London borough. There, police choppers clatter overhead at all hours and passenger aircraft bound for the City Airport, Heathrow and Gatwick are stacked up on high from Sam. Twice a helicopter ambulance landed at the end of our street. So I, too, had hoped the country would be quieter.

But it is not. There are more civil aircraft than swallows. Even the farmers have their own aircraft and

grass landing strips round here. If a small patch of blue is temporarily free of powered aircraft, but air balloons float in to take their place.

But nothing makes its presence felt like the RAF. The skies are criss-crossed by jet fighters, helicopters, Hercules transporters and at such low altitudes that not only can my children name the different models, they even recognise the pilots.

The MoD says that fixed-wing aircraft are not usually allowed below 250ft and no faster than 617mph. In 1995 there were around 112,000 low-level military sorties across the UK, of which about 46 per cent were by jet aircraft. The flights prompted nearly 7,000 complaints, according to the MoD's own records.

After our new village's experience, however, I will not be complaining. Indeed, I now wave cheerfully at the magnificent men as they roar past.

Our household insurance isn't for everybody. But then neither is Chateau Lafite '61.

We all have different tastes. But no matter how individual and valuable your possessions, your insurance must always provide the highest level of effective cover.

At Baxters we specialise in arranging bespoke home insurance for clients with contents worth over £100,000.

Each policy is tailor-made to meet your needs and offers value for money, without compromising our personal service or attention to detail.

So, even if your existing policy isn't due for renewal, ring Jill Fletcher or Lesley Wilson on 0345 697 328 for free confidential advice or a personal quotation. Between us we will ensure that your possessions have the quality of cover that they deserve.

Call us Monday to Friday between 9am and 5pm.



BAXTERS

Insurance since 1911

Personal Service, Excellence and Tradition

Weekend Investor

Wall Street

Mutuals get a lesson in language

From here on, it's got to be clarity all the way, reports John Authers

Wall Street watchers had to spend most of their time reading between the lines this week, particularly where the Delphic statements of federal regulators were concerned. With every word uttered to the Senate by Alan Greenspan, chairman of the Federal Reserve and the man who can raise interest rates, being reviewed with almost theological reverence by equity analysts, it was perhaps ironic that the most clear-cut words uttered by any regulator this week were used to attack the small print in investment prospectuses.

Arthur Levitt, chairman of the Securities and Exchange Commission, waxed quite lyrical on the subject of the language used to sell mutual funds. "It is possible that no document on Earth has committed as many sins against clear language as the prospectus," he said. "The prose trips off the tongue like peanut butter. Poetry seems to be reserved for claims about performance, and concision for discussions about fees."

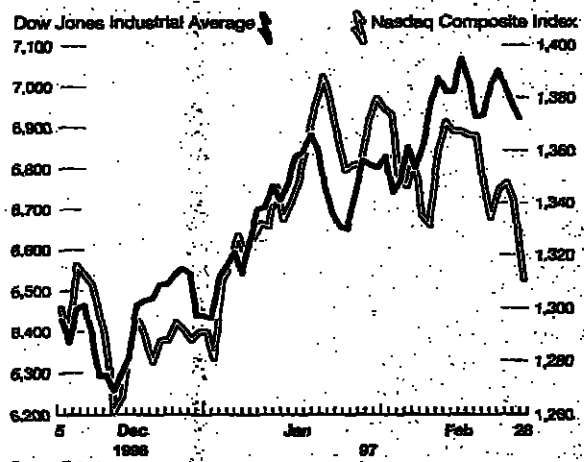
He admitted that many prospectuses "by their very length and complexity tend to obscure the essential information that would help people make investment decisions." And he added that by obscuring small investors' understanding of the investments they were taking on, this information overload might lead some to embrace risks they did not understand.

His proposed solution is a drastic reform of how mutual funds - surprisingly, still attracting new money in record amounts - set out their wares. Now investors will be faced with a lean, mean, statutorily prescribed assessment of the risk which comes with their fund.

Companies marketing them must provide a "concise narrative description of a fund's overall risks" rather than the present confusing "laundry list" which gives the risks involved with each individual holding in the portfolio.

Fees must be declared next to investment returns, and managers must include both a bar chart and a table of their 10-year returns. The table must compare the

After Greenspan: the age of exuberance



fund's performance with a relevant benchmark index, while the bar chart must demonstrate potential volatility by showing its returns over each of the previous 10 years.

This means managers cannot get away with "before and after" figures showing how much the market rose over the long run. They must make clear to investors that the funds could wobble a lot on the way.

Greenspan's doubtless approves of this. An eminently sober and rational man, it seems unlikely that he is now fated to have the words "irrational exuberance" written in his epitaph. He has now uttered the phrase twice in public in an attempt to stop the equity market from over-inflating. Both times, stocks and bonds took an immediate hit.

But, as the graphs show, the net impact of the first speech - in which he used the words on December 5 to suggest that stock prices may have become inflated - has been to increase the stock market's apparent irrationality.

The Dow Jones Industrial Average of blue chip stocks hit the 7,000 barrier two weeks ago, ahead of schedule, but the most obvious feature of the age of exuberance is increased turbulence and volatility. It reached the landmark by a circuitous route and has spent most of the past two weeks below the landmark.

In his Senate testimony this week, Greenspan sent what most watchers

regarded as a more menacing threat to the market with the carefully measured statement that "irrational exuberance" remained "on the table". It helped to push the Dow downwards, dipping below 6,900 at one point yesterday. More worrying for the markets in the long run, though, is the behaviour of the Nasdaq composite index.

This is weighted heavily towards the technology sector, engine of much of the bull market's growth. It reacted much more severely than the Dow to Greenspan, losing more than 2 per cent on Thursday. Having outperformed the market during the heady post-election rally which so perturbed Greenspan, the sector now appears to be underperforming larger companies. But a trend does seem to be emerging.

On the eve of Greenspan's December speech, the Nasdaq stood at 1,300.12. Since then, it has wandered higher, reaching a high of 1,388. By yesterday, though, it had given up all its gains and even fell briefly below 1,300 before recovering.

The conclusion must be cheering for Greenspan, if not for those who were hoping for a continued bull market: the Nasdaq is running out of steam. But perhaps that choice of English words might be a little too blunt even for Levitt.

Dow Jones Ind Average

Monday	7008.20 + 75.88
Tuesday	7036.21 + 30.01
Wednesday	6983.18 - 55.03
Thursday	6925.07 - 58.11
Friday	

London

RTZ rejects initial approach

Philip Coggan salutes a return to romanticism

Has all the revival of Rio Tinto. The mining group's decision to abandon its gaudy acronym of RTZ-CRA and return (almost) to the glory days of Rio Tinto-Zinc is a welcome return to the romance of the old stock market.

Back in 1989, the Lex column found that an imaginary fund manager at Euphony Investments - picking a portfolio consisting of Stavert Zigomala, Clyde Blowers, High Gostforth Park, Flexello Castor & Wheels and (deep breath needed) the Southampton, Isle of Wight and South of England Royal Mail Steam Packet Company - would have earned a capital return of 35.2 per cent, well ahead of the All-Share index.

There are some serious points here. The first is that, for private investors at least, a rash of initials is confusing and gives little idea of what

an individual company does. When National Freight Consortium changed to NFC, it pointed out that it was no longer National, did not just deal with freight and was not a consortium. But at least the old name gave people a rough idea of the kind of business it was; the same applies to the old British Airways Authority (now BAA).

The second point is that an initialised name often indicates that a company is a broadly spread conglomerate, the days are long gone since Birmingham Tyre and Rubber was an adequate description of the operations of BTR. But the fashion, for the moment, is against conglomerates and in favour of focused companies. And what better focus for a company than to have a name which everyone understands or which describes the business?

The results of RTZ, or Rio Tinto, were not that encour-

aging, showing a 30 per cent profits decline thanks to problems at a copper smelter in Utah and a fall in base metal prices. More generally, however, the first big week of the results season passed without any alarms. There were some disappointments, at Commercial Union and NatWest, but the dramatic share price falls were still confined to the smaller company sector, such as Pace Micro.

The four-week average of the dividend index, this column's indicator of corporate sentiment, stands at 59.6 per cent, showing that around three in five companies are increasing payouts. It reveals that directors are fairly upbeat about the prospects for 1997.

The main threat to share prices came from elsewhere. The testimony of Alan Greenspan, chairman of the US Federal Reserve, to Congress spelt out even more clearly than before his feel-



Ticket to Ryde: a long-winded ferry company's name

ing that the stock market there was too high. He also indicated that interest rates might have to rise as a pre-emptive strike against inflationary pressures.

Wall Street fell in response to his comments but the declines were fairly subdued. Nevertheless, when the head of the central bank in the world's largest economy says stock market caution is needed, prudent investors should take heed.

The main support for the UK stock market continues to come from low inflation, with its resulting low interest rates and bond yields. Shares do not look expensive, relative to recent history, if you compare the dividend yield with the return on cash or the long bond yield - or, indeed, if you compare the earnings yield (the inverse of the price-earnings ratio) with the same two benchmarks.

Where shares do look a bit pricey is if you look at the nominal dividend yield or the price-earnings ratio on its own. The UK market has in the past proved unable to sustain a p/e of above 20 for long. At the moment, the ratio on the Non-Financial index is around 18.5, within sight of that barrier. The dividend yield, at 3.5 per cent, is also towards the bottom end of its recent range although still above the sub-3 per cent levels it reached before the 1987 crash.

In short, the market has priced in the continuation of the low inflation era. Any sign of increased inflation-

ary pressure would be a threat to share prices - a, of course, would a Greenspan-prompted decline on Wall Street.

Politics remains a background noise for the market. Most consider it a virtual certainty that May 1 will be the UK general election date, especially as the Ulster Unionists have indicated that they have no intention of forcing an early poll.

So even though Thursday's by-election in Wirral South was a case (to paraphrase the 1980s protest song) of "Wirral the Tories Gone", the market was not unduly perturbed.

Indeed, some argue that investors have already come to terms with a Labour victory and that the biggest threat would be a Conservative revival, bringing with it the potential for a hung parliament and months of ensuing uncertainty.

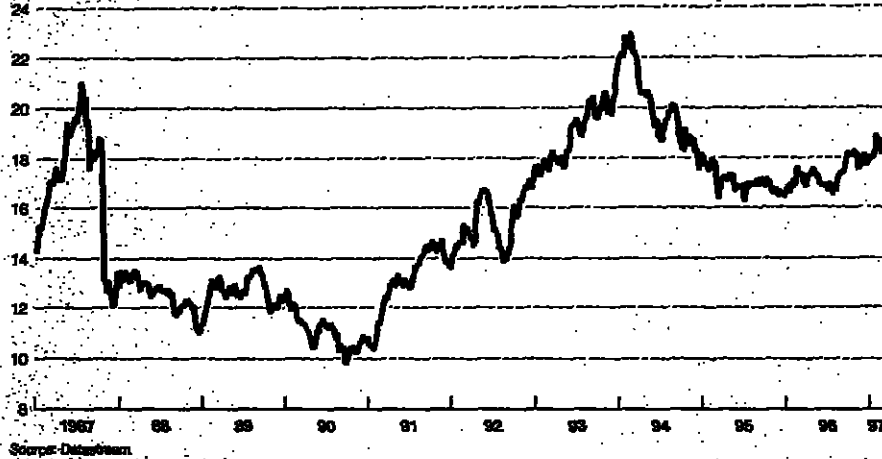
It is hard to believe, however, given the market's ability to panic, that all will be calm until May 1.

Stock market historian David Schwartz has found that, during the 14 pre-election periods since 1945, the market has been much more volatile in the two months leading up to the polls.

Scare stories in the press about Labour, nervous foreign investors selling gilts in the face of uncertainty, company directors warning of the effect of a Labour win on their profits: any of all could emerge to unsettle shares over the next few weeks. It could be a bumpy ride.

Not far from danger levels

FTSE Non-Financial sector P.E. ratio



Highlights of the week

	Price	Change	52 week	52 week
	Yday	on week	High	Low
FTSE 100 Index	6308.3	-28.5	6357.4	3644.8
BTG	604 1/4	+82	607 1/4	203
British Steel	150 1/4	-5 1/4	201	139 1/4
Carlisle Comm	524 1/4	-22 1/4	577 1/4	381 1/4
EMAP	770	-42 1/4	831 1/4	529
EMI Group	1154	-91	1488	1085 1/4
English China Clay	211 1/4	+24	348	166 1/4
Lex Service	349 1/4	-30 1/4	390	305
Luxor/Varley	204	+10	282	177
MFI Furniture	197	+14	209 1/4	154
Marks and Spencer	496	+16	533	417 1/4
Next Micro Tech	97	-7 1/4	242 1/4	80
Smith David St	249 1/4	-15	344	241 1/4
Standard Chartered	841 1/4	+48 1/4	842	544
Yorkshire Elec	894	+75 1/4	910	650
US bid				

Tony Jackson



On balance, the US is ahead

But don't be too quick to play down the Japanese

One of the most reliable principles in financial markets, as in other walks of life, is the reversion to the mean. Markets may rocket or plunge but, in the long run, they always move back towards the underlying trend.

Since its peak in December 1989, the Japanese equity market has halved. Over the same period, the US equity market has risen 150 per cent. Neither pattern remotely resembles the long-run average. On the face of it, two of the world's most important asset classes are out of kilter.

But while reversion to the mean is a splendid principle, it is short on specifics. It tells you nothing about when the correcting move will happen, or from what level. Plenty of intelligent market participants in Japan think the Nikkei has further to fall. Some of their US counterparts, Alan Greenspan notwithstanding, think the opposite about the Dow.

Anyone quarrelling with either view might recall one awkward fact. In recent years, the locals in both markets have, typically, been right while outsiders have been wrong. So, let us shift the perspective slightly. Never mind when

either market will revert to trend. What is the trend itself?

Let me frame the question in more concrete terms. Suppose your fairy godmother presents you with £1m, or its equivalent in D-marks or francs. She specifies one condition: that you must put all the money into either US or Japanese equities, and not touch it for 10 years. Which would you pick?

If you based your decision on the trend to date, there would be no contest. In the past 10 years, the Dow has outperformed the Nikkei (leaving aside currencies) by 220 per cent. Over 20 years, it has outperformed by 100 per cent. Over 30 years, it has underperformed by 30 per cent. In other words, the era of Japan's outperformance is slipping further and further into history.

Looking forward, the fundamental bull and bear cases for Japan can be expressed simply. The strongest bull argument is that the best Japanese companies - those which grew up in an atmosphere of international competition - are still as good as ever.

The standards they have set for quality and efficiency are starting to be matched by the best US companies, but only just. Given the mood of US triumphalism in

recent years, it is worth recalling one salutary fact: in last year's fourth quarter, Japan's share of the US car market was the highest on record.

Another salutary fact is that the Japanese economy grew by around 3.4 per cent last year, compared with America's 2.5 per cent.

Just a decade ago, rational Americans thought Japan was taking over the planet

Granted, forecasts for this year are around 1.4 per cent for Japan, 2.7 per cent for the US. But if Japan's economy is not what it was, it is hardly a basket case by conventional measures.

The bear response is simple: all this is in the price. Toyota is indeed a wonderful company, but its shares are at an all-time high - up nearly 60 per cent since the Tokyo market peaked in 1989. And the market, despite having halved since then, is still on a price/earnings ratio of more than 50.

Some of that rating results from double counting, through the

Japanese system of cross-holdings. But this is less a factor than it used to be, since part of those holdings have been sold to raise cash. We are left with the remarkable fact that Wall Street, which some might think dangerously overvalued, is on half the rating of Tokyo.

There remains the final bear argument: that Japan's financial system, despite efforts to reform it, remains in crisis. Not long ago, I asked the head of a US multinational if he would rather buy a business today in Japan or in Germany. In Germany, he said instantly. The structural problems in its economy were confined to the labour market and would be addressed in the next few years. The structural problems of Japan's banking system represented risk of a different order, which he did not profess to understand.

Since direct investment represents a long-term commitment similar to our 10-year horizon, this carries a certain weight. But suppose the financial system is indeed reformed. That leaves us with the most fundamental question of all. Is America's lead in information technology sustainable indefinitely, or will Japan catch up?

It seems odd to recall that, a decade ago, rational

people in the US believed Japan was taking over the planet. One reason this proved wrong was that many US companies managed to copy the manufacturing techniques which had given Japan its edge in the first place.

Whether Japan can perform the same trick in reverse is open to question. Its perfection of manufacturing technology in the decades since the second world war arguably represented the culmination of the first industrial revolution.

It has now become a cliché to argue that we are in a second revolution, comparable in scope but based on information technology, in which the US is the unchallenged early leader. Assuming the pace of change continues, America's social and industrial structures are better able to adapt to it.

Even if all this is true, we are left with the nagging feeling that the US market has discounted it at a very early stage. The chances of a serious reversal within our 10-year period are correspondingly high. The logical answer might be to persuade your fairy godmother to let you put the money somewhere else entirely. But if she proves inflexible, go for Wall Street.

Global Investment Management

James Capel Investment Management's experienced team of portfolio managers specialises in looking after multicurrency portfolios for international investors, their advisers and smaller institutions.

The International Portfolio Management service is available for clients with a minimum of US\$500,000 to invest, through London or the Channel Islands, as individual tax situations dictate.

We have been at the forefront of the securities industry for over 200 years.

We are part of HSBC Investment Banking which has 42 offices

on five continents and we benefit from the global resources of

HSBC Holdings plc, one of the largest banking and financial services organisations in the world.

For further information, please contact:

Stephen Oakes

James Capel Investment Management

6 Bevis Marks, London, EC3A 7JQ.

Telephone: +44 171-626 0566 Facsimile: +44 171-283 3189

James Capel Investment Management

James Capel Investment Management is a trading name of HSBC Investment Bank plc. Regulated by SFA and a member of the London Stock Exchange.

Member HSBC Group

Offshore managed funds and UK managed funds are listed in Section One